

news

Libel trial to embarrass Tories

CHRIS BLACKHURST
Westminster Correspondent

Evidence that government ministers received election expenses from a leading political lobbyist will surface next month in a libel trial which will be deeply embarrassing for the Government during the Tory party conference.

The Prime Minister will be subpoenaed along with Michael Heseltine, the Deputy Prime Minister, Sir Robin Butler, the Cabinet Secretary, and former Tory Chief Whip Richard Ryder, to give evidence at what promises to be the most sensational political trial for decades.

Ian Greer, the parliamentary lobbyist who acts for some of Britain's biggest businesses, made donations towards the general election expenses of Conservative candidates in key marginal seats. One of those Tories, David Mellor, the former Cabinet minister, has confirmed that he received the cash which went into the "fighting fund" for the 1987 general election campaign in his Putney constituency.

Other Tories, including one current minister, are also understood to have accepted payments from Mr Greer.

While most of the money was directed to the Tories, two

senior Labour figures are also likely to be named as having had a donation to their election expenses from Mr Greer.

The evidence will expose a gap in the rules covering election expenses. By taking money from Mr Greer, the MPs and the lobbyist did not commit any offence or breach any rule; the rules require the MPs only to stay within the election limit, currently £6,000, and to list what they spend the cash on. They do not have to disclose where it came from.

The claims will arise during the libel trial brought by Neil Hamilton and Ian Greer against *The Guardian* newspaper over

the "cash for questions" affair, due to start early next month, at the beginning of the Labour party conference.

Conservative managers were already fuming at the timing of the trial and the confirmation that Mr Major, Mr Heseltine and Sir Robin will be required to appear to explain the circumstances around Mr Hamilton's resignation as trade and industry minister in 1994.

The claims over election expenses will send Tories, hopeful of a successful conference to kick-start their election campaign, reeling.

By making donations direct to MPs' constituency associa-

tions, there is no danger of the money being swallowed by Conservative Central Office. Some donors regard it as a more efficient way of giving aid.

Mr Mellor has admitted to receiving £500 from Mr Greer in May 1987. Payment was made by cheque sent from Mr Greer's home address, which was then in his Putney constituency, to Mr Mellor's local party agent. He viewed it as a personal donation from Mr Greer.

The payment, the only one to Mr Mellor, was noted in a ledger kept by Mr Greer, detailing cash to MPs.

The MP for Putney is un-

derstood to be furious at the prospect of having his name brought up in the trial.

The four-week trial will cast a huge shadow over the party conference. Tories are incredulous that Mr Hamilton and Mr Greer, both of whom are seasoned political operators, were prepared to countenance going into court during the critical conference season. Solicitors for *The Guardian* said the decision to hold the trial during the conferences was made by the plaintiffs, not the newspaper.

Mr Mellor declined to comment. Mr Greer passed questions to his solicitor, who said he was unable to comment.

SIGNIFICANT SHORTS

A senior British diplomat, convicted of smuggling a large consignment of "vile and sickening" child pornography into Britain, may have been part of a network, according to customs investigators. Robert Coghlan, former First Secretary at the British Embassy in Tokyo was found guilty swiftly and unanimously yesterday and will be sentenced this morning by Judge Gerald Butler QC at Southwark Crown Court.

The divorced father-of-two was found guilty of one charge under the Customs and Excise Management Act, 1975, after his hoard of 109 videos, 70 of which contained paedophilic material, were discovered in Essex, en route to Madrid. "I believe the videos were destined for wherever he was going and whoever was in his network," said Jim McGregor, deputy chief investigator with Customs and Excise.

Coghlan, 54, who faces up to seven years in jail, showed almost no reaction as the verdict was returned after 52 minutes. Crown counsel Nigel Litman told the court: "It would seem that in Japan ... he was something of a Jekyll and Hyde character - sometimes a respectable representative of the country, at other times visiting specialist sex shops, buying the most profane type of paedophilic material, until he had accumulated this large collection." *Jeff Moyes*

Dust from office photocopiers can cause lung disease. According to Austrian scientists, who say that increasing use of copiers will result in more people with respiratory problems. The scientists report the case of a 39-year-old non-smoker who developed a dry cough and breathlessness after working in a newspaper agency, where copiers were in regular use.

Tissue samples from his lungs and lymph nodes showed that his body was reacting to pigment particles in the toner dust, which contained silicon, iron and copper, all of which can damage the lungs if inhaled. The man's recovery was slow, and nine months after treatment with steroid drugs began there was little improvement. The case is the second to be reported in the *Lancet* linking lung disease with photocopiers. *Liz Hunt*

Deadlines have been set for women hoping to sue what was once the largest manufacturer of silicone breast implants. British women who believe their health suffered as a result of implants made by the American firm Dow Corning have until 14 February next year to initiate their claim. Around 10,000 British women are understood to have commenced claims against manufacturers following allegations of skin disorders, muscle pain, tremors and incontinence from implants which allegedly leaked.

Other surgical implants which might also be included in the legal action are for knees, other joints and hips. Under American court laws, the company is to embark on a programme to alert as many possible claimants as possible to the deadlines which have been set. Claims by people living in the States and Puerto Rico need to have been filed by 15 January. *Louise Fury*

Peter Lilley, the Secretary of State for Social Security, came under fresh fire in the High Court yesterday in a challenge to regulations on benefits for asylum-seekers, made under emergency legislation passed in July. Mr Justice Popplewell ruled that a full judicial review hearing should take place as a matter of urgency. Up to 10,000 asylum-seekers could be entitled to "urgent cases" if the application, by a woman member of a political group opposed to the Ethiopian government, succeeds.

The woman says she fled from Ethiopia after suffering beatings and rape by prison guards. The regulations purport to make the 1996 Act apply retrospectively. The July legislation followed a Court of Appeal ruling that Mr Lilley had exceeded his powers when introducing new rules refusing housing benefit, income support and other benefits to asylum-seekers who failed to make prompt applications on their arrival in Britain. *Patricia Wynn Davies*

HIV, the virus which leads to Aids, causes more widespread damage to the immune system than was previously thought, according to researchers at Edinburgh University. Using a highly sensitive test for the virus, they have found that it infects more than one type of cell in the immune system.

The findings suggest that while HIV infection of cells known as CD4 cells predominates early on in the disease - a well-established fact - HIV infection of cells known as CD8 cells may play a crucial role in the progression of Aids, especially in the later stages. Leading British Aids researchers are calling for urgent research to assess the clinical impact of the new information which they say will be important in the management and treatment of HIV and Aids. *Liz Hunt*

The governor of a prison in which five women have died in suicides in 15 months is to retire early, it was announced yesterday. But the Scottish Prison Service denied Robert Glen, 50, was leaving Compton Vale prison, near Stirling, under a cloud. He is to be succeeded by Kathleen Donegan, 43, HM deputy chief inspector of prisons in Scotland.

A partial eclipse of the Sun will be visible across Britain. Solar eclipses occur when the Sun, moon and Earth line up and the moon blocks out the light of the Sun. Astronomers expect the phenomenon to begin at exactly 1.02pm on 12 October. By 2.18pm, up to 50 per cent of the Sun's surface will be concealed by the moon as it arcs across the star's centre.

The moon is only one four-hundredth the size of the Sun but the fact that it is 400 times closer to Earth allows it to sometimes to completely block the Sun. "While full eclipses happen only every century or so and are very dramatic, partial eclipses are more common but still very interesting," says Mark Casali of the Royal Observatory in Edinburgh.

The Queen's 1996 Gold Medal for Poetry has been awarded to Peter Redgrave, Buckingham Palace said yesterday. Mr Redgrave, 64, from Cornwall, is a prolific poet, novelist and playwright. He was recommended for the Medal by a committee headed by the Poet Laureate, Ted Hughes. The award was instituted by King George V in 1933.

Correction: Lord Stevens

In an article yesterday entitled "Champagne and oysters - that's the way we do it", we incorrectly stated that Lord Stevens attended the re-launch party for *Punch* magazine. In fact, Lord Stevens did not attend. We apologise for this error.

THE INDEPENDENT ABROAD

OVERSEAS SUBSCRIPTIONS	
Austria	£24.00
Bulgaria	£9.50
Italy	£4.50
Spain	£11.00
Zone 1 (Middle East, 13 weeks)	£11.00
Caribbean	£34.00
Middle East	£32.00
Cyprus	£11.20
Malta	£4.30
East, America, Africa and India	£33.00
Zone 2 (Far East and Australia)	£33.00
Denmark	£12.20
Norway	£12.20
Iceland	£12.20
Portugal	£12.20
France	£12.20
Spain	£12.20
Germany	£14.50
Sweden	£12.20
Greece	£14.50
Switzerland	£14.00
Luxembourg	£15.00
USA	\$3.00
Canada	\$10.00
Japan	¥1,000
Overseas telephone	0171-220 1111
Overseas fax number	0171-220 1112
Overseas credit account	0171-220 1113
Overseas newsagent	0171-220 1114
Overseas telephone	0171-220 1115
Overseas fax number	0171-220 1116
Overseas credit account	0171-220 1117
Overseas newsagent	0171-220 1118
Overseas telephone	0171-220 1119
Overseas fax number	0171-220 1120
Overseas credit account	0171-220 1121
Overseas newsagent	0171-220 1122
Overseas telephone	0171-220 1123
Overseas fax number	0171-220 1124
Overseas credit account	0171-220 1125
Overseas newsagent	0171-220 1126
Overseas telephone	0171-220 1127
Overseas fax number	0171-220 1128
Overseas credit account	0171-220 1129
Overseas newsagent	0171-220 1130
Overseas telephone	0171-220 1131
Overseas fax number	0171-220 1132
Overseas credit account	0171-220 1133
Overseas newsagent	0171-220 1134
Overseas telephone	0171-220 1135
Overseas fax number	0171-220 1136
Overseas credit account	0171-220 1137
Overseas newsagent	0171-220 1138
Overseas telephone	0171-220 1139
Overseas fax number	0171-220 1140
Overseas credit account	0171-220 1141
Overseas newsagent	0171-220 1142
Overseas telephone	0171-220 1143
Overseas fax number	0171-220 1144
Overseas credit account	0171-220 1145
Overseas newsagent	0171-220 1146
Overseas telephone	0171-220 1147
Overseas fax number	0171-220 1148
Overseas credit account	0171-220 1149
Overseas newsagent	0171-220 1150
Overseas telephone	0171-220 1151
Overseas fax number	0171-220 1152
Overseas credit account	0171-220 1153
Overseas newsagent	0171-220 1154
Overseas telephone	0171-220 1155
Overseas fax number	0171-220 1156
Overseas credit account	0171-220 1157
Overseas newsagent	0171-220 1158
Overseas telephone	0171-220 1159
Overseas fax number	0171-220 1160
Overseas credit account	0171-220 1161
Overseas newsagent	0171-220 1162
Overseas telephone	0171-220 1163
Overseas fax number	0171-220 1164
Overseas credit account	0171-220 1165
Overseas newsagent	0171-220 1166
Overseas telephone	0171-220 1167
Overseas fax number	0171-220 1168
Overseas credit account	0171-220 1169
Overseas newsagent	0171-220 1170
Overseas telephone	0171-220 1171
Overseas fax number	0171-220 1172
Overseas credit account	0171-220 1173
Overseas newsagent	0171-220 1174
Overseas telephone	0171-220 1175
Overseas fax number	0171-220 1176
Overseas credit account	0171-220 1177
Overseas newsagent	0171-220 1178
Overseas telephone	0171-220 1179
Overseas fax number	0171-220 1180
Overseas credit account	0171-220 1181
Overseas newsagent	0171-220 1182
Overseas telephone	0171-220 1183
Overseas fax number	0171-220 1184
Overseas credit account	0171-220 1185
Overseas newsagent	0171-220 1186
Overseas telephone	0171-220 1187
Overseas fax number	0171-220 1188
Overseas credit account	0171-220 1189
Overseas newsagent	0171-220 1190
Overseas telephone	0171-220 1191
Overseas fax number	0171-220 1192
Overseas credit account	0171-220 1193
Overseas newsagent	0171-220 1194
Overseas telephone	0171-220 1195
Overseas fax number	0171-220 1196
Overseas credit account	0171-220 1197
Overseas newsagent	0171-220 1198
Overseas telephone	0171-220 1199
Overseas fax number	0171-220 1200
Overseas credit account	0171-220 1201
Overseas newsagent	0171-220 1202
Overseas telephone	0171-220 1203
Overseas fax number	0171-220 1204
Overseas credit account	0171-220 1205
Overseas newsagent	0171-220 1206
Overseas telephone	0171-220 1207
Overseas fax number	0171-220 1208
Overseas credit account	0171-220 1209
Overseas newsagent	0171-220 1210
Overseas telephone	0171-220 1211
Overseas fax number	0171-220 1212
Overseas credit account	0171-220 1213
Overseas newsagent	0171-220 1214
Overseas telephone	0171-220 1215
Overseas fax number	0171-220 1216
Overseas credit account	0171-220 1217
Overseas newsagent	0171-220 1218
Overseas telephone	0171-220 1219
Overseas	

news

Private insurer buys into NHS cancer centre

NICHOLAS TIMMINS

Public Policy Editor

A health insurance company has invested in an NHS cancer treatment centre in an open admission that it needs the health service to provide the best possible care for private patients.

The new alliance between PPP Healthcare and the Royal Free NHS Trust in north London could be the precursor of similar deals with other trusts, according to Dr Harry McNeilly, medical director of PPP. Similar deals could also be established for some other highly specialised areas such as neurosurgery and neuroscience.

PPP, Britain's second biggest health insurer, has contributed £100,000, or around a third of the £350,000 cost of expanding the Royal Free's Moore cancer ward by 20 per cent to 24 beds, more than doubling its day care facilities and refurbishing eight intensive treatment rooms.

The facilities will be available to both NHS and private patients, with the Royal Free's pri-

vate patient income from cancer treatment possibly doubling to £1.5m a year or more as PPP encourages its patients to use the specialist facilities.

The move follows the Calman report on cancer services which concluded that the best treatment is provided by having limited numbers of highly specialised centres linked to cancer units in ordinary general hospitals which deal with the more common tumours in return for more-or-less guaranteed volume. But PPP stressed the deal was less about price than about quality – ensuring that private patients receive equally good care to NHS patients as the "hub and spoke" reorganisation is phased in.

Richard Begent, Professor of Oncology at the Royal Free, insisted that private patients would not receive preferential treatment, and PPP's contribution was allowing an earlier and more extensive refurbishment of Moore ward. "There is no waiting list for treatment at the Royal Free, so there is no queue to jump," he said.

Private hospital units lack experience of treating rarer cancers and the comprehensive range of services from surgery to chemotherapy, radiotherapy and psychology which a specialist centre such as the Royal Free can provide, Dr McNeilly said. "To have a high quality centre, you have to have all these specialists together and you need a substantial population which will throw up sufficient of the rarer tumours to ensure the specialists ac-

quire the skills to provide the best treatment. We firmly believe that the NHS at the moment is the only place that can provide that level of expertise, and that is why we are looking to the NHS to provide these services for our subscribers."

The "preferred provider" status means PPP will encourage subscribers who need such specialist care to use the Royal Free, obtaining competitive charges in return for more-or-less guaranteed volume. But PPP stressed the deal was less about price than about quality – ensuring that private patients receive equally good care to NHS patients as the "hub and spoke" reorganisation is phased in.

Richard Begent, Professor of Oncology at the Royal Free, insisted that private patients would not receive preferential treatment, and PPP's contribution was allowing an earlier and more extensive refurbishment of Moore ward. "There is no waiting list for treatment at the Royal Free, so there is no queue to jump," he said.

Telephone screening plan for casualty patients

LIZ HUNT

Health Editor

The British Medical Association yesterday unveiled plans for a radical overhaul of hard-pressed hospital accident and emergency services, which includes a campaign actively to discourage the majority of patients from using them.

Doctors are to encourage patients to phone the hospital first and check that their problem is appropriate for A&E treatment. If not, the hospital should redirect the patient to the right department or to a GP.

Staff shortages and funding problems are at the heart of the A&E crisis, according to the BMA, but the expanding work-

load of non-emergency patients – minor injuries account for the largest volume of A&E patients – who would be better treated elsewhere is also significant.

Up to 40 per cent of patients who attend casualty departments should not be there, according to Dr Laurence Rocke, a consultant in A&E at the Royal Victoria Hospital in Belfast who chaired the BMA working party on A&E services.

The BMA said that a telephone system which experienced staff advise patients where to go for treatment would reduce demand significantly.

In addition, the association is calling for the development of acute admissions units to cut trolley waits for patients ad-

The global larder: After its débüt in restaurants, the meat may become a staple



The rump that jumped: Shoppers inspecting a pack of kangaroo meat

Photographs: Glyn Griffiths

Kangaroo hops into the supermarket

Australian seared steaks and surf salad

Ingredients: One chopped and de-seeded red or green chilli, 2.5 cm (1in) piece of fresh root ginger, peeled and grated; one clove garlic, peeled and crushed; 350g (12oz) chopped shallots; 3-4 tbsp oil; 2 kangaroo steaks cut into even strips; 225g (8oz) cooked, peeled king prawns; 20g (3/4oz)

coriander or flat leaf parsley; 9-10 sprigs fresh mint; salt and freshly ground black pepper.

Dressing: Juice and finely grated rind of one lime; 1-2 tbsp chilli sauce; 300ml (1/2 pint) thick coconut milk; sugar to taste.

Garnish: Four whole unpeeled prawns; one red chilli, de-seeded and chopped.

Method: Mix the chilli, ginger, garlic and shallots. Fry in 3 tbsp hot oil until crispy and golden brown; leave on kitchen paper to drain. Heat the remaining oil in a frying pan over gentle heat; fry steak strips for 2-3 minutes or until just tender; remove from heat. In the same pan fry prawns for a further 2 minutes or until just heated through.

Mix chilli mixture, kangaroo-steak strips; prawns, coriander leaves; and sprigs of mint. Season to taste.

Mix all the dressing ingredients together; season to taste.

Arrange steaks on 4 plates, garnish with prawns and a sprinkling of chilli and serve with the lime dressing.

LOUISE JURY

It bounded into the menus of the more modern restaurants, and took a giant leap forward to public acceptability when BSE hit the beef market.

Now kangaroo meat is being tested as a daily staple with a supermarket offering it as steaks and burgers.

The first supplies are available at Tesco from now until the end of September. If the meat finds a following, it will become a regular on the shelves from the beginning of next year.

Michael Fletcher, Tesco's specialty meats buyer, said: "Our customers have shown a great interest in specialty meats and we will be offering them a new variety."

Already available in butchers and increasingly popular since

the "mad cow disease" scare delayed beef-eaters, kangaroo is described by Tesco as "succulent, flavoursome and with a similar taste and texture to beef steak".

Kangaroo meat follows on from ostrich, crocodile, wild boar and buffalo as an innovation in the diet of a country which is becoming increasingly adventurous in its eating habits.

The National Heart Foundation of Australia has endorsed kangaroo for its low fat content – around 1 per cent – and low level of sodium.

A spokesman for Tesco said that half of its customers were trying to cut down on red meat content – around 1 per cent – and low level of sodium.

"We are looking at different ways of meeting customer

demands," he said. More than 500,000 packs of ostrich steaks and burgers have been sold in Tesco supermarkets since they were introduced in May.

A pack of two kangaroo steaks (260g) sells for £3.99 and a pack of two kangaroo burgers (227g) for £2.99, prices which the store claims compare favourably to those of the better cuts of beef.

However, other stores look unlikely to follow suit. Jane Ellison, for Asda, which was one of the supermarkets to introduce ostrich, said it did not stock kangaroo and had no plans to do so. And a Marks and Spencer spokeswoman said: "We sell beef, lamb and pork. We are always looking at new developments in the food industry but we have no plans to sell kangaroo at present."

Whitehall set for autumn offensive in beef war

SARAH HELM

Brussels

The government will today launch an autumn campaign to end the six-month-old beef ban by seeking to persuade European scientists, meeting in Brussels, that fewer cattle need to be culled than first agreed.

It is now more than two months since John Major claimed victory in the beef war at the Florence summit, saying he had won assurances from his European partners that the ban would soon be over. Mr Major even suggested that the next phase in lifting the ban could start as soon as November.

However, as Brussels returned to work this week, there was no sign of further easing of the blockade until well into next year, or later. The Government's only hope of a breakthrough lies in its ability to persuade other member states that new scientific evidence,

published last month in *Nature* magazine, justifies a reduction in the number of British cattle which need to be slaughtered.

If the slaughter plan can be cut back, the Government stands more chance of winning approval for its eradication measures in a House of Commons vote next month. The *Nature* study has played into the hands of Euro-sceptics who have used it as proof that the original EU-agreed slaughter plan was too harsh. Any culling of the worldwide beef ban depends on Britain's implementation of an agreed slaughter plan.

The new evidence, produced by scientists in Oxford, will be discussed for the first time today by members of the EU's veterinary committee.

The study suggested that the number of cattle which must be slaughtered to clear British herds of BSE might be lower than the 147,000 envisaged in a selective cull plan agreed by EU

experts in July. In particular, the study suggested that new evidence that BSE can be transmitted from cow to calf, should be taken into account in a revised culling plan, and that BSE would be eradicated from Britain by 2001.

Commission experts say the Oxford findings are being taken very seriously and could lead to a review of the way cattle are targeted for slaughter. But Britain's hopes that it may secure a reduction in the number of cattle targeted for culling are likely to be dashed.

Other member states are continuing to take a hard line against Britain, arguing that much remains to be done to restore consumer confidence in beef. Germany in particular looks certain to oppose any reduction in the number of cattle slaughtered. The German milk industry has even called for a ban on the import of British milk, following the evidence that

BSE can be transmitted to calves. However, Commission experts say there is no evidence that milk can become infected, and has criticised the German move.

Today's preliminary discussions on a cull reduction will be referred to other specialist committees later in the month, before final decisions are taken by EU agriculture ministers.

In a separate initiative aimed at restoring order to the beef market today, the Commission will propose that all other EU member states agree to ban bovine offals, as a precautionary measure. It will also propose that certain sheep offals be removed from the food chain.

To date, other member states have refused to institute the same measures in force in Britain on the grounds that they have no BSE problem. The Commission has even called for a ban on such offals throughout the EU as common sense.

DAILY POEM

Graecum Est: Non Legitur

By Ciaran Carson

The fly made an audible syzygy as it dive-bombed through the dormer and made a rendezvous with this, the page I'm writing on. It was its karma.

This tsotsie was a Greek to me, making wishy-washy gestures with its hands And feet. I made to brush it off, before it vaulted off into a handstand

Ceiling-corner of the room. It dithered over to the chandelier-flex And buzzed around it upside down in a stunt-plane Canine helix.

The landing-page approached my crafts as I began to think again. The candle guttered. My enormous hand was writing on the wall. The words began to stutter

As the quill ran out. Syzygy. His dizzy Nibs was back. I took on board more ink. He staggered horse-like towards the blue blot I'd just dropped. Then he began to drink.

Ciaran Carson won the TS Eliot Prize in 1993 for *First Language*, a collection that used long-lined rhyming couplets in echo of the Irish ballad metre with its crisscross assonances. In *Open Et Cetera*, published last week by Bloodaxe (£7.95), they appear again. Here, and as part of a long sequence, Carson spins slender tales around Latin tags.

School bus rules 'leave lives at risk'

JAMES CUSICK

Regulations to improve the safety of school buses and coaches, thought vehicles registered before 1988 will not need them for another year. However, the "three for two" concession will still apply to buses where there are no belts and where standing is technically allowed.

The BSC and Bus said many old buses – without seatbelts – were still used by school authorities and they were exempt from the new laws. The BSC spokeswoman added: "This makes a total nonsense of the new laws. Seatbelts don't exist on these vehicles, and children will still be at risk."

The BSC wants the "three for two" concession to end for all vehicles, thus ending the ability of some operators to legally carry more than 100 children in one vehicle at a time. The BSC

added: "If coach companies allowed such scandalous overcrowding, they would quite rightly be prosecuted."

"just how
fast will your
holiday cash be
replaced?"

Usually 24 hours or less,
virtually anywhere in the world. Buy American Express Travellers Cheques. Unlike your cash, they can be replaced and replaced fast. And unlike other travellers cheques, they bear the name American Express – which has people all over the world, standing by to help you – at one of our 1,200 Travel Service Offices, or standing ready to courier it to you personally. We'll make sure that when you go abroad, you have one less thing to worry about.

Do more with American Express Travellers Cheques. Below are listed just some of the places where you can obtain them.

Abbey National, Britannia Building Society, Going Places, Halifax Building Society, Lloyds Bank, Lunn Poly Holiday Shops, Natwest, Post Offices, Royal Bank of Scotland, Woolwich Building Society and American Express Travel Offices.

American Express Services Europe Limited, Roy Office, Portland House, 1 Stag Place, London SW1E 5BZ, Reg. No. 183139.

مكتبة من الأدلة

PC WORLD

THE COMPUTER SUPERSTORE



**BUY NOW
PAY
JUNE 1997**
ON ALL PCs AND PRINTERS
OVER £300

PACKARD BELL
100MHz Pentium Processor.
8Mb RAM, 850Mb hard disk.
Quad speed multimedia.
28.8Kbps Data/fax modem remote controlled communications card.
Radio card.
Over £1000 worth of software!

PLUS

CANON Colour Inkjet Printer
720 x 360 DPI resolution
monochrome, 360 DPI colour printing. Total Separate Selling Price £1754.99 inc VAT.
MODEL: Packard Bell 909D + Canon BJC4100

**SAVE OVER
£155**
£1599
INC VAT
£1360.85 EX VAT

SALE SAVINGS ON PRINTERS - SAVE UP TO £200

CANON

Colour Inkjet Printer.
720x360 DPI resolution.
360 DPI colour printing.
Up to 5 pages per minute.
Was £179 inc VAT.
MODEL: BJC 210

EPSON

Colour Inkjet Printer.
720x360 DPI resolution.
Up to 5 pages per minute.
100 page sheet feeder.
Was £189 inc VAT.
MODEL: Stylus 88

LEXMARK

Colour Inkjet Printer.
600x600 DPI resolution.
2-3 pages per minute (Black),
2-3 pages per minute (Colour).
100 page sheet feeder
Was £199 inc VAT.
MODEL: 1020

EPSON

Colour Inkjet Printer.
720x720 DPI resolution colour printing.
4 pages per minute (Black),
2 pages per minute (Colour).
Photo real printing capability.
MODEL: Stylus Colour 500

NEW

£289
INC VAT
£245.96 EX VAT

NEC

Laser Printer.
300 DPI resolution with Sharp Edge Technology. Up to 6 pages per minute output. Automatic 50 page sheet feeder. PC/Le

emulation. Plus Free DTP Software. Was £229. £309 inc VAT.
MODEL: 610 Plus

CANON

Colour Inkjet Printer.
600x600 DPI resolution.
Up to 5 pages per minute.
Near photographic printing quality.

100 page sheet feeder
Was £419. £369 inc VAT.
MODEL: 610 COLOUR

HEWLETT PACKARD

Laser Printer.
600 DPI resolution.
4MB RAM, A3 paper handling.

12 pages per minute output.
Plus Free DTP Software.
Was £429. £509 inc VAT.
MODEL: 410

**INC VAT
£249**
£211.91 EX VAT

**UP TO 5 YEARS
COMPREHENSIVE
INSURANCE**

Protect your computer equipment for up to 5 years with Computer Cover Comprehensive - includes accidental damage, cover, product repairs, new for old replacement and 1 year theft covers.

**EASY WAYS
TO PAY**

We have many financing and credit arrangements to suit your needs.
Call or ask in-store for details.

**NEXT DAY
SERVICE
IN YOUR HOME
OR OFFICE**

12 months on-site service in your home or office is included on all desktop PCs, Printers and fax machines.
Phone before 10am Monday to Friday
Subject to parts availability.

**LOW PRICE
PROMISE**

We won't be beaten
We promise that if you find the same offer elsewhere at a lower price in any other local retail store within 7 days of purchase we will refund the difference - guaranteed. Please produce your receipt and details of where you saw the offer.

**FOR YOUR
NEAREST STORE CALL 0990 464 464**

**LOWEST
PRICES
EXCLUSIVELY
AT PC WORLD**

Based on current selling prices of actual or equivalent titles (excluding disks and available for pre-loaded software). Intel Inside and Pentium Logos are trademarks of the Intel Corporation. Written off quotations available on request from Dept Sales, PO Box 400, Aylands Avenue, Hemel Hempstead, HP2 7JZ.

**UNBEATABLE
CHOICE
VALUE &
SERVICE**

**IMMEDIATE
AVAILABILITY
ON OVER 5000
PRODUCTS**
Britain's biggest choice of computer equipment in stock and available for you to take home today.

**EXPERT
ADVICE**
Our expert staff are available to provide advice and hands on demonstrations and advice on the right equipment to suit your needs.

**DELIVERY &
IN-HOME
TUTORIAL**
Your new PC can be delivered and installed in your home or office by one of our trained computer professionals. To get you up and running we also offer in-home tuition.

**UPGRADES &
INSTALLATION**
Every PC World Store has a Technical Centre with skilled computer technicians to handle upgrades, configurations and installation.

**24 HOUR
HELPLINE**
For instant advice on your new PC and its pre-installed software call 0891 516 516 at anytime, 365 days a year. Calls cost 49p per minute (peak) and 39p per minute at all other times.

**THE BEST
BUSINESS
CENTRE**
Dedicated business sales staff are ready to provide you with the best in one-stop shopping for all your business needs.

**UP TO 5 YEARS
COMPREHENSIVE
INSURANCE**
Protect your computer equipment for up to 5 years with Computer Cover Comprehensive - includes accidental damage, cover, product repairs, new for old replacement and 1 year theft covers.

**EASY WAYS
TO PAY**
We have many financing and credit arrangements to suit your needs.
Call or ask in-store for details.

**NEXT DAY
SERVICE
IN YOUR HOME
OR OFFICE**
12 months on-site service in your home or office is included on all desktop PCs, Printers and fax machines.
Phone before 10am Monday to Friday
Subject to parts availability.

**LOW PRICE
PROMISE**

We won't be beaten
We promise that if you find the same offer elsewhere at a lower price in any other local retail store within 7 days of purchase we will refund the difference - guaranteed. Please produce your receipt and details of where you saw the offer.

***BUY NOW
PAY 9 MONTHS
LATER**

**APR
27.8%**
No deposit required. Interest will be charged from the date of the first payment until the final payment is received. Total amount of £1500. Minimum term 9 months. Total example: Cash price £1500 less 10% deposit £1350. Total interest £120. Total amount to be repaid £1620. Total monthly payment £179.22. Total interest £120. Subject to status.

PC WORLD

THE COMPUTER SUPERSTORE

FOR YOUR NEAREST STORE CALL 0990 464 464

**LOWEST
PRICES
EXCLUSIVELY
AT PC WORLD**

Based on current selling prices of actual or equivalent titles (excluding disks and available for pre-loaded software). Intel Inside and Pentium Logos are trademarks of the Intel Corporation. Written off quotations available on request from Dept Sales, PO Box 400, Aylands Avenue, Hemel Hempstead, HP2 7JZ.

**OPEN 7 DAYS
A WEEK**

Exclusive Roadshow with every

FREE

Parents' right to smack is defended

PATRICIA WYNN DAVIES
Legal Affairs Editor

Parents should keep the right to administer "reasonable chastisement" of their children, the Government will argue before the European Commission of Human Rights on Monday. UK law should remain unchanged, it will argue, despite a series of court rulings that have sanctioned severe beatings, often involving the use of implements.

An application to the Strasbourg commission is being brought after a man was acquitted of assaulting his stepson. The boy, now 11, and his natural father are complaining that the punishment amounted to inhuman and degrading treatment, which is outlawed by article 3 of the European Convention on Human Rights, and that the state failed to secure protection of the boy's rights under the provisions. He had been repeatedly caned between the ages of five and eight.

More than 60 children's and health organisations, including the NSPCC, the British Paediatric Association and the National Childminding Association, have called for smacking to be outlawed.

In a case that emerged this week, a father was arrested

and charged with slapping his 12-year-old son and was later bound over to keep the peace.

But far from outlawing smacking, UK law has proved it is prepared to countenance far more severe punishments. The 1933 Children and Young Persons Act allows parents and other carers to administer corporal punishment, leaving it to the courts to decide what amounts to "reasonable" chastisement.

In a series of cases, parents who beat their children with canes, electric flex, belts, whips and riding crops have been acquitted of assault or cruelty charges. Examples include a father who admitted taking down his teenage son's trousers and repeatedly hitting him with a belt, breaking his skin and causing bruising. He was acquitted by Cambridge magistrates.

The Government will argue that the 1933 law should remain in force and that the boy and his father have failed to exhaust UK legal remedies by failing to take out a civil action for assault against the stepfather.

If the application is declared "admissible" it is likely to be referred for a full hearing by the European Court of Human Rights. If found to have breached the convention, the Government would be obliged, eventually, to change the law.

Travel as many times as you like from £59 a year.

Take out American Express annual travel insurance and you can make £59 go a long way. Because one payment means you can take an unlimited number of trips throughout the year.

And now you don't have to be an American Express Cardmember to enjoy the reassurance of international cover from an international company.

Our insurance covers almost every eventuality; not just medical matters but baggage loss, theft of personal property, legal expenses and travel delay. You can also choose from a range of policies - just look at the examples below.

	Individual Under 65s	Family 2 adults + 2 children
Single trip cover: Europe up to 17 days.	£26.50	£57.00
European annual cover: Up to 30 days per trip.	£59	£95
Worldwide annual cover: Up to 31 days per trip.	£89	£127

Annual cover includes 17 days winter sports cover, saving you around £55. Rates are available for those aged over 65 years.

To enquire, call the number below between 8am and 8pm Monday to Friday or 9am to 5pm on Saturday quoting reference 167.

0800 700 737

Certain exclusions and slight restrictions apply.
Policy Terms and Conditions are available on request.

Insurance Services

CAR INSURANCE

Looking for the LOWEST premium?

PHONE FREE
0500 333 600

TO CLAIM YOUR FREE ROAD ATLAS PLEASE QUOTE REF 3600

LINES ARE OPEN 8am-9pm WEEKDAYS, 8am-5pm SATURDAYS.

DIAL DIRECT

ATLAS
LINES NOW OPEN UNTIL 9PM
Exclusive Road Atlas
FREE with every quote

Direct Insurance Marketing Ltd.
is a subsidiary of the National Insurance and Assurance Corporation plc.
Not available in the Northern Ireland and the Channel Islands.

Dartmoor's enchanted acorns fall on stony ground

NICHOLAS SCHOON
Environment Correspondent

One of Britain's strangest woods, a kind of bonsai rainforest, has been designated a National Nature Reserve. Wistman's Wood on Dartmoor is made up of dwarf pedunculate oaks, stunted and gnarled by growing on boulders and poor, peaty soil at 1,300 feet. It derives its rainforest look from the ferns, greyish lichens and lush, bright green mosses which grow on the trees smothering the bark and festooning the branches. They like the clean air and the dampness which comes with about 80 inches of precipitation per year. It usually rains for more than 200 days a year at Wistman's - and when it doesn't, there are often mists.

Wistman's had been suffering from heavy overgrazing by straying sheep and cattle. But the new tenant farmer, who rents the wood and surrounding moor from the Duchy of Cornwall, has put up fencing and has undertaken not to use any agrochemicals on the land.



Photograph: Tim Cuff

Under the greenwood tree: A walker among the gnarled oaks, now a designated nature reserve

Wouldn't you rather spend £12 million down the Green Man?



Be prepared. For your local is about to be invaded by hordes of strange little men. Apparently it has been decreed that the word 'Exit' above a door could well confuse us. So every public place needs to display this compact, attention-grabbing sign in the way. What's a shame is that, even though Brussels' recommendations need only apply to new signs, where's the clever end insisted that all old signs must also be replaced by or supplemented with new signs by December 14th, 1996. And the cost? It could be up to £12 million.

Now, it is just this sort of eagerness to regulate and standardise that has the alarm bells sounding at Beck & Co. What's this trend towards conformity split over our biers?

What if one day some little known bureaucrat decided to apply such enthusiasm to our bier? Could we be told to abandon our 150 metre deep glacial pure water source? Or imagine the dire consequences of a committee telling us to stop brewing with our superb Hallertau and Tettnang hops in favour of a regulation variety.

But we won't. Not even for £12 billion. We refuse to let any intruding bureaucrat poison Beck's. A cold Beck's glass. The Green Man will always be money well spent. Call us if you must, but when it comes to our plain bureaucracy, we'll get past the door.



BREWED IN BREMEN GERMANY SINCE 1874

politics

Labour's green spokesman defies Blair

Michael Meacher proposes higher taxes on the rich and ballots on directors' pay

JOHN RENTOUL and NICHOLAS SCHOON

Michael Meacher, newly promoted as Labour spokesman on green issues, has called for higher taxes on the rich, and for workforces to be given a vote on company directors' pay.

The public expression of his views, in an interview with *The Independent*, cuts across Tony Blair's tax-cutting, non-interventionist message to business leaders earlier this week.

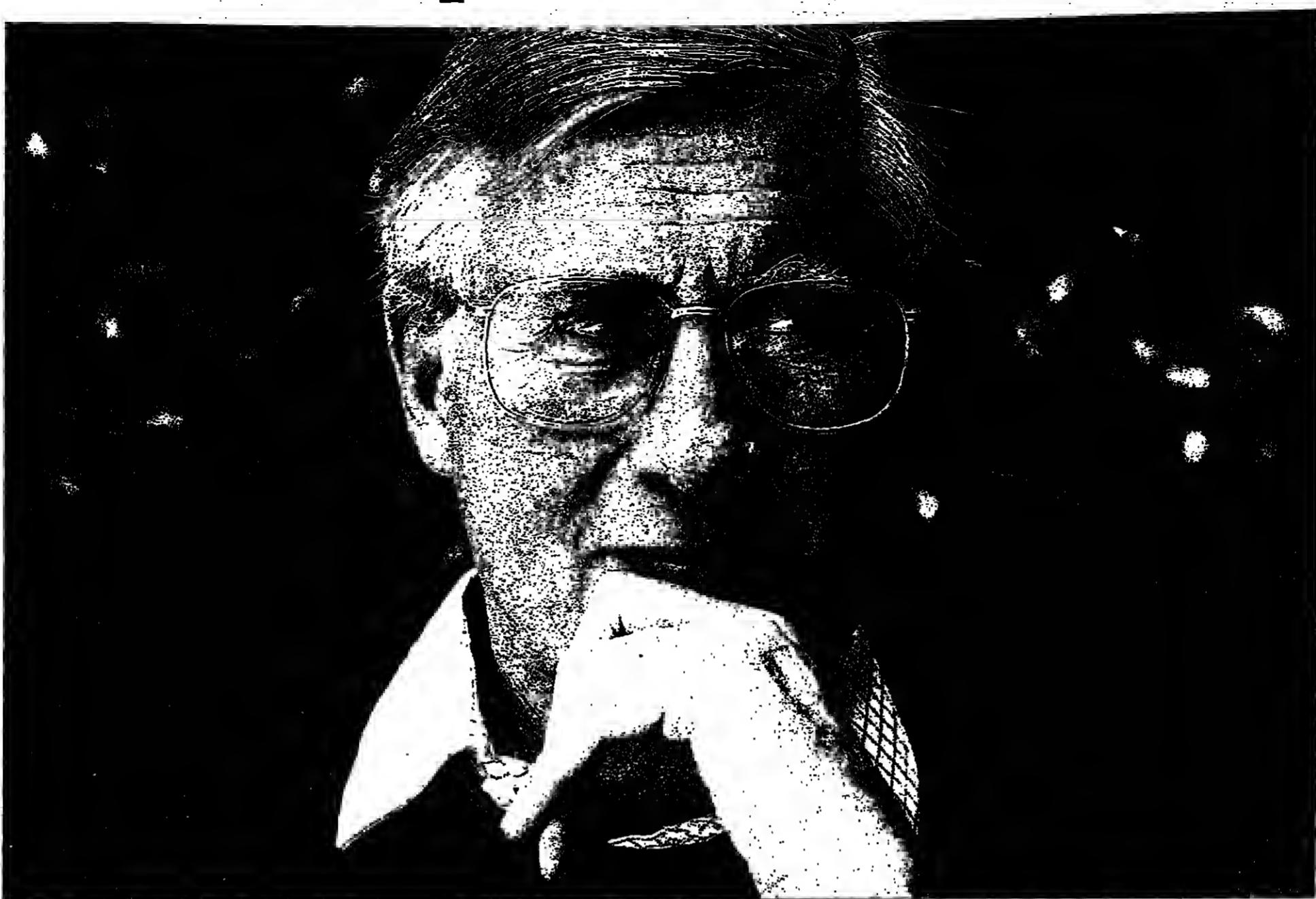
Ballots of employees on their directors' pay are "an idea that should be considered", he said. Taking up Mr Blair's desire to create a "stakeholder economy", he said: "If we have a stakeholder concept, employees are clearly major stakeholders. All that I'm saying is that that interest ought somehow to be reflected in the decision-making. And I certainly think that the balance of pay between top and bottom is something in which they do legitimately have a say."

Mr Meacher claimed that "the Government itself feels that a good deal of this top pay is absolutely abhorrent and excessive" and, asked if society should signal its disapproval by higher taxes which "soak the rich", he said: "I certainly think we should consider it."

Mr Blair has ruled out any implications for company law of his "stakeholder" vision, and last weekend said he had no intention of "soaking the rich".

Mr Meacher said: "Tax is the most sensitive word. Even to utter the word is a risk, as we've seen." (An oblique reference to the fate of Clare Short, his Shadow Cabinet colleague demoted this summer for saying people on MPs' incomes should pay more tax.)

To a wide-ranging interview on his new portfolio, Mr



Michael Meacher: 'Labour is more naturally green than the Tories because we don't have huge, in-built vested interests in roads or market forces'

Meacher refused to back down in his dogfight over water quality with Sir Desmond Pitcher, the £310,000-a-year boss of North West Water.

Sir Desmond, who took out advertisements attacking Mr Meacher in the national press

last week, is Labour's number one privatised utility "fat cat".

Mr Meacher said he would

not bathe in the sea at Blackpool, and challenged Sir

Desmond and John Gummer, Secretary of State for the Environment, to take a running

jump off the pier. "Will Sir

Desmond Pitcher join John

Gummer in a swim through the water?" he asked.

He said Labour is certainly "more naturally green" than the Tories, because "we don't have these huge, in-built vested in-

terests, either in favour of roads or in favour of market forces. We are far more willing to look at consequences, and far more willing to regulate".

He denied using green issues to reassess Labour's traditional instinct for state regulation.

He also rejected the notion that he is out of tune with New Labour, saying: "I'm grossly stereotyped, and I would be grateful if you could take me for what I am and for what you find me to be." One of the longest-serving members of the Shadow Cabinet, Mr Meacher was first elected when he failed to win the deputy Labour leadership as Tony Benn's "disciple on earth" in 1983.

He stood by the proposals made in his 1992 book *Dissolving Power*, which was published with the approval of the late John Smith before he was elected leader, but which will be regarded with suspicion by "New" Labour.

As well as saying that richer nations might have to contribute to a £200bn fund to tackle global warming, he included a 75 per cent tax rate on incomes above £100,000 a year and giving one-third of the votes at company annual general meetings to employees.

He told *The Independent* the ideas in his book are "only suggestions for dealing with what

are quite difficult problems. Inequality has polarised to such a huge degree, back to the Edwardian or Victorian era."

As for richer nations having to foot poorer countries' bills for cutting the emissions that cause global warming, he said: "If we want a cleaner world and if we are affected by what they do, then we've got to help them."

He said he will be "pressing very strongly" for Environmental Protection to be a separate government department if Labour wins the election.

Although many green objectives do not need big public spending increases, he added that a Labour government could spend an extra £5bn a year on "public investment" without putting up taxes.

In a calculation which might alarm Gordon Brown, the shadow Chancellor, who says Labour would keep a tight grip on public spending, Mr Meacher said that, if the economy grew at 2.5 per cent a year, it would produce about £5bn every year on extra tax revenue "without any increase in taxes".

Mitchell urged to rescue talks

ALAN MURDOCH
Dublin

London and Dublin are to look to the diplomacy of former United States Senator George Mitchell to defuse the row over death threats against two loyalist dissidents. The dispute threatens the fringe Unionist parties' presence at Northern Ireland multi-party talks.

The Democratic Unionist Party is expected to challenge formally the right of the small Progressive Unionist Party to attend talks when they resume at Stormont on Monday following the summer break.

The PUP has close links with the paramilitary Ulster Volunteer Force, part of the Combined Loyalist Military Command (CLMC), which last week threatened UVF dissidents Billy Wright and Alex Kerr with "summary justice" unless they left Northern Ireland.

Ian Paisley, the DUP leader, said this week his party would not attend the talks unless the fringe loyalist parties repudiated threats of violence. Mr Kerr, a former south Belfast UDA commander, is in custody facing charges of helping organise a meeting of an illegal organisation.

David Ervine of the PUP has said the attack on the Kerr family was not ordered by the CLMC.

Yesterday's informal Anglo-Irish conference in Dublin was overshadowed by pessimism about the prospects of progress in the Stormont talks.

The Secretary of State for Northern Ireland, Sir Patrick Mayhew, acknowledged "a lot of damage" had been done by the events surrounding Orange marches. "Everybody understands that there is resentment, there is fear, there is revived prejudice," he said.

He conceded that doubts about the future's future remained after Unionist procedural stalling in June and July. "If there is not a will to make things work they can't be made to work. But I believe everybody does want to make [it] work."

Meanwhile, both the SDLP and Sinn Fein condemned the action of DUP Mid-Ulster MP in appearing and speaking at a rally held in Portadown on Wednesday night in support of Mr Wright.

Brid Rodgers of the SDLP said Mr McCrea had made a highly inflammatory speech in a highly volatile situation.

Mr McCrea said he had been standing up for the democratic right of free speech.

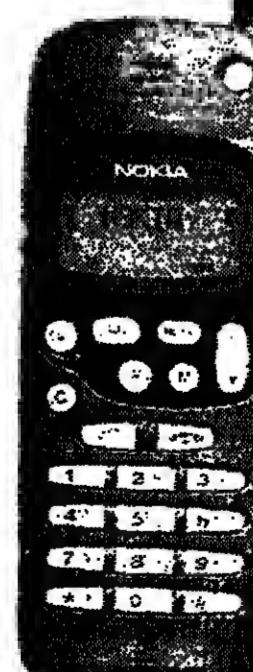
A number of loyalists in south Belfast, including a prominent figure in the Ulster Defence Association, have been warned by police that their lives are in danger from the UVF in Mid-Ulster.

New digital Nokia. 100 hours of power!

NOKIA

NEW GSM MODEL 1610.

- ◆ Up to 100 hrs standby-time
- ◆ Up to 3.5 hrs talk-time
- ◆ 45 name/number memory stored on SIM
- ◆ Fast recharge-55 mins
- ◆ 5 selectable ring tones
- ◆ Weight 250g



VODAFONE PERSONALWORLD

Connection	£35.25 (£30 + VAT)
Monthly Rental	£17.83 (£15 + VAT)
Pink Rate Calls	35.25p per min (30p + VAT)
Off Peak Calls	11.75p per min (10p + VAT)

PersonalWorld rates are 8.00-20.00. Min. ex. fix. Monthly rental bill will be charged at £17.83 + VAT per month. Use rental rates monthly in advanced and active charges will be deducted in advanced credit. Charge of £10.00 for calls longer than 1 second.

2 MONTHS FREE LINE RENTAL

WORTH £30.00 INC. VAT

LIFETIME PRODUCT WARRANTY

Our Lifetime Product Warranty ensures your phone is guaranteed to work for as long as you remain a Cellphones Direct subscriber.

ORDER NOW WITH YOUR CREDIT CARD DETAILS FOR FREE DELIVERY IN 4 WORKING DAYS

LIMITED OFFER
£4.99
INC. VAT

- FREE LINE RENTAL - for 2 months worth £35.25
- ONE SECOND BILLING - you only pay for the airtime you use
- MORE POWER - up to 100 hours standby-time, up to 3.5 hours talk-time
- BEST COVERAGE - with digital call clarity and security
- FREE ACCESSORIES - in-car adaptor and leather case together worth over £55

Cellphones

direct

Start enjoying the benefits of the latest mobile technology with Cellphones Direct. Our range of mobile phones includes the latest models from Nokia, Motorola, Sony Ericsson, Samsung, Philips, LG, and many more. We offer competitive prices, fast delivery, and excellent customer service. Call us now on 0500 000 888 or visit our website at www.cellphonesdirect.co.uk.

PLEASE HAVE YOUR CREDIT CARD AND THIS ADVERTISEMENT HANDY WHEN YOU CALL AND QUOTE REF 4902. (SORRY WE ARE UNABLE TO ACCEPT SWITCH CARDS)

Offer subject to status. A standard antenna contract for each phone with Cellphones Direct Ltd, 125 Lower Richmond Road, Richmond-upon-Thames TW9 4LU. Full written details and terms and conditions of this offer are available on request. © Copyright. Registered No. 295222.

HALF PRICE

This Moben Boston kitchen with SOLID OAK doors and drawer fronts is over 50% off

~~£5926~~ NOW ONLY £2700

THIS WEEK EXTRA 10% OFF BOSTON UNITS

INSTALLED FOR ONLY £135

INCLUDING ALL JOINERY, ELECTRICS, PLUMBING AND FITTING OF WORKTOPS

82429 CIRCO THERM OVEN & GRILL T2113 GAS OR T2113 ELECTRIC HOB

£395 £167
FITTED FREE*

£160 £66
FITTED FREE*

Visit your local MOBEN SHOWROOM or phone 0800 616747

NEFF
APPLIANCES
LESS THAN HALF PRICE
AND FITTED FREE

All appliance offers only available when you buy a kitchen to the value of £22,700 or more. Only one of each type of appliance per order.

Appliance	Offer Price
82429 CIRCO THERM OVEN & GRILL	£395 (£167 fitted free)
T2113 GAS OR T2113 ELECTRIC HOB	£160 (£66 fitted free)
S121-12 12 PLACE DISHWASHERT	£559 (£238 fitted free)
M4314 BUILT-IN LARDER FRIDGE	£470 (£178 fitted free)

CALL THE MOBEN SALE HOTLINE
0800 616747

MOBEN
Member of The Leisure Group

*Indicates showrooms which are not open Sunday. *Reduction taken from price for class 3.5% & exclude all profits, site, fitting, site, caps etc and appliances unless otherwise stated. Fitted £135 rates to all kitchen units. Offers apply to selected ranges when you purchase a complete fitted kitchen for £22,700 or more. No other offers apply. Subject to available supply. *Matching integrated doors extra where applicable. Fitting excludes cleaners' own appliances where applicable.

tchell
ged to
escue
alks
JRDOCH

Warner stalls over release of £30m IRA film

DAVID LISTER

The release in Britain of the new £30m film on the IRA's founding father, Michael Collins, may be delayed because of Hollywood fears that it could spark renewed IRA violence.

The film, which stars Liam Neeson and Julia Roberts, is directed by Neil Jordan, the British director who made *The Crying Game*, the highly successful film about an IRA man who falls in love with a transvestite.

Jordan's movie about Collins was praised last month at the Venice Film festival and opens in Los Angeles in a few weeks. In yesterday's edition of *Screen International*, Collins is given an October release date in Britain. But Warner Brothers are stalling on naming a release date in the UK or Ireland.

One insider said yesterday: "We haven't canceled the release in Britain, but we are watching the situation. If we had a mainland bombing campaign we would have to think hard about whether the film could inflame the situation, and

whether it would be right to release it."

Warner Brothers in London yesterday denied reports that pressure had been put on the Hollywood parent company by President Clinton, anxious to see Northern Ireland peace talks start again before the American presidential elections in November.

Robert Daly, chairman of

Warner Brothers, said: "This is not a film we are hiding, but we will be sensitive to conditions in the world at the time."

Neil Jordan defended his film. "I challenge anyone to demonstrate a more accurate historical movie," he said. "It's going to be moving and traumatic when the British and Irish public see the film. But that's a good thing. Yesterday's terrorist is today's statesman. I make no apology for that."

Cinemas are certain to show the film as soon as Warner makes the decision to release it. John Wilkinson, president of the Cinema Exhibitors' Association, predicted that the film would be shown in Britain as soon as Warner gave it the go

ahead. "It will be put on where exhibitors believe there will be an audience for it," he said.

Simon Burke, chairman of Virgin Cinemas, said yesterday:

"We don't shy away from putting on controversial films ...

Michael Collins is a charismatic figure and it will be a good film. I don't really think it's got political overtones that are relevant today."

No release date has been given yet for another film, *Devil's Own*, starring Brad Pitt as an IRA man on the run. Columbia Pictures, which made the film, is also said to be studying the political situation.

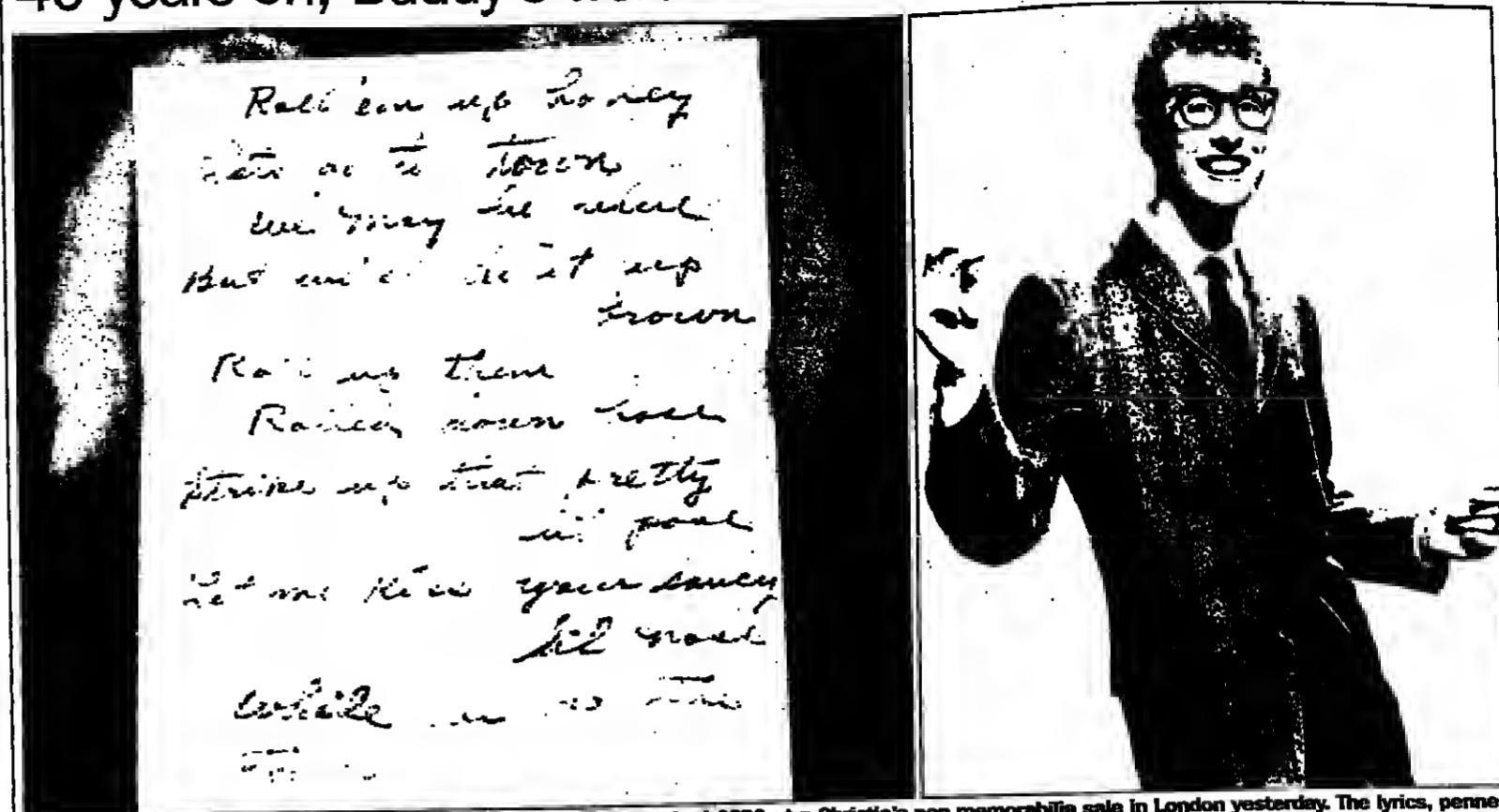
Work on both films began while the IRA ceasefire was in place.

Living, page 4

40 years on, Buddy's words of love fetch pretty pretty price

edited by David Lister

arts news



Rave on: This fragment of an unpublished song by Buddy Holly fetched £690 at a Christie's pop memorabilia sale in London yesterday. The lyrics, penned in 1956, were written on the reverse side of a City and School Tax Notice for the town of Lubbock, Texas, the singer's birthplace. Photograph: Herbie Knott

WHERE
THERE'S
LIFE,
THERE'S
HITACHI



We're moving fast

Hitachi's expertise is involved with train body design, electrical facilities and transportation control systems, enabling safe and punctual transport.

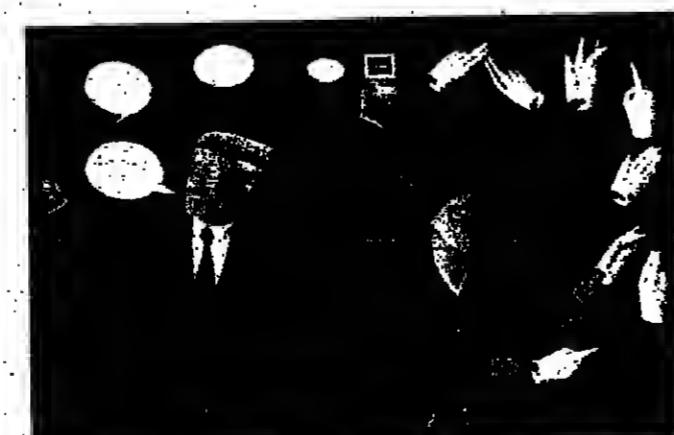


We're directing traffic

Our microcomputer Car Navigation System collects information from sensors situated on major road networks and relays it to your car. Alerting you to faster, alternative routes.

We can't think of a place where you won't find Hitachi. Our technology touches virtually every area of life. If our name's not on the outside, then likely it's on the inside. When there's a solution needed, we provide it. And not just in the areas you'd expect like camcorders and TV's. But wherever there's a need. Wherever you are. We are.

HITACHI



We're helping the hearing-impaired

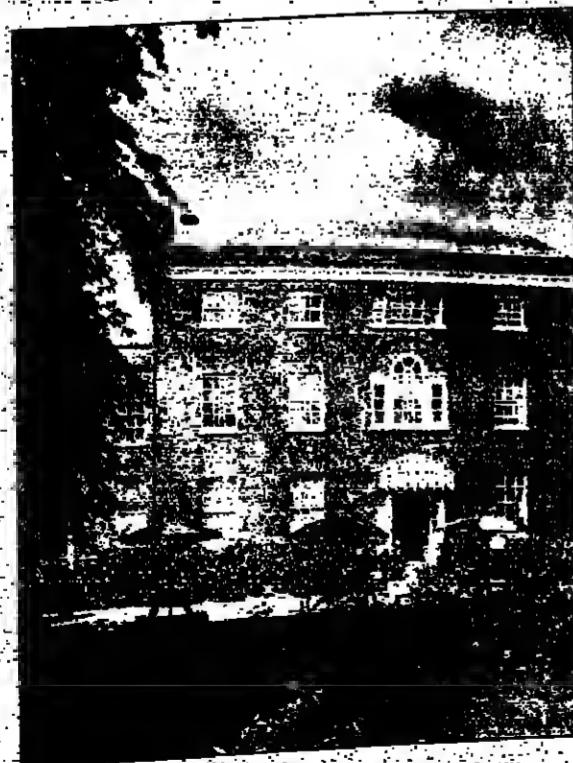
Our DataGlove communication system is paving the way for a two-way speech to sign language translation system for hearing-impaired persons.



WHAT'S NEXT?

Hotel Breaks

2 nights for the price of 1



Starting tomorrow,
enjoy two nights for
the price of one with
The Independent

THE INDEPENDENT

okia.
power!

LIMITED OFFER
£4.99
INC VAT

• FREE DELIVERY
• FREE CANCELLATION
• FREE CANCELLATION
• FREE CANCELLATION

Cellphones

0 000 881

POLICING SADDAM

Tropical outpost that let the B-52s strike



There are plenty of reasons why Moscow is up in arms about the assault on Iraq, not least of which is big money. Russia is dependent on \$7bn (£4.6bn) in oil imports from Iraq in force. Russia has cashed in on joint ventures once the UN sanctions were lifted. Russia signed a contract with the US, the Americans ahead with the deal.

With Iran's forces back in Moscow was keen to US influence in the Arab world's major industries are held by Soviet experts.

The bad boys - Iran and Iraq - can't challenge the US, restoring a bargaining power that has never been seen.

Iran has long cultivated both diplomatic and economic relations with Iraq, while it regards, at least some of the reason, its recent attacks coming from the Saudi Arabian and Iranian border to build the Omani Bridge, which was

part of the Western alliance against Iraq.

It was the decision of the subsequent Omani government to withdraw from the war in the Gulf, and the US-led coalition.

Like all American air bases,

Christopher Bellamy on a British atoll's strategic value

tives, policies and actions" are involved.

With the British Government the only one in the world to express wholehearted support for the US attacks in southern Iraq, that agreement was not in doubt, but the US consulted Britain anyway, if only out of politeness.

"In no way is it leased to the Americans," the Foreign Office said yesterday. "By bilateral agreement we own and administer the island. The US have a military installation there. The US authorities consult us in advance through the normal diplomatic channels about using the defence facilities."

The British presence consists of 30 Royal Navy and Royal Marine personnel. Some 900 US personnel are based on the island, along with five ships loaded with equipment for a US marine expeditionary brigade. The brigade, 15,000-strong, would fly in and leave the ships ready to sail in any nearby trouble-spots, probably in Africa or the Middle East.

Diplomatic sources say the facility is "a means of maintaining peace and stability in the region and of protecting vital western interests and trade routes, including the supply of oil from the Gulf". It played a crucial part in the Gulf crisis in 1990-91 and in the UN intervention in Somalia in 1992.

Like all American air bases, wherever they may be, the fa-

cilities are all-American, and include a bowling alley. Few British personnel have served there. "I wish I had," one said. "Have you seen the beach?"

There is an town or substantial civilian population on the island. Although the island is said to have no qualified personnel to refuel or service aircraft other than US transport aircraft, the B-52 crews are qualified to do that themselves. All they need is the fuel.

Should you want to land your private aircraft at Diego Garcia, all you have to do is file your flight plan through the normal channels to USNNSUPPAC, with a copy to the Royal Navy liaison officer, 72 hours in advance, and the request will be considered and given reason probably approved.



Paradise post: Diego Garcia, the British atoll and US base used to refuel B-52s returning from Iraq. Photograph: US Department of Defense/Corbis

Isolated PUK turns to Iran for weapons

Sulaymaniyah, Iraq (Reuters) — The Kurdish militia leader Jalal Talabani, claiming that he faced renewed attack by Iraq and a rival Kurdish faction, said yesterday he was ready to seek Iranian help.

"We will call support from any country which is ready to help us from Iran, Syria or Turkey," he said in his stronghold in northern Iraq.

Iraq and the Kurdistan Democratic Party (KDP) have accused the Kurds of sending troops into northern Iraq to help Mr Talabani's Patriotic Union of Kurdistan (PUK). Mr Talabani said he had "unfortunately not received arms and support from Iran".

"There is no possibility for peace now in this area," Mr Talabani said in Sulaymaniyah, 70 miles from the Iranian border. He added that Iraqi armoured cars and tanks launched a new attack from the south aided by KDP troops. Chanchamal had been bombarded the last two days by tanks and artillery and Sulaymaniyah would be next.

In Washington, officials said they saw no evidence of any Iraqi fighting or troop build-up to threaten Sulaymaniyah.

Saddam Hussein's troops, backing the KDP, on Saturday chased Mr Talabani's guerrillas from the northern Iraqi re-

IF YOUR BUILDING SOCIETY TURNS INTO A BANK

LAUGH

ALL THE WAY TO THE BUILDING SOCIETY

Average rates between 20th February 1996 and 19th August 1996

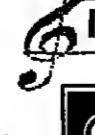
Type of Account	Amount	Nationwide	Abbey National	Halifax	Woolwich
Regular Savings	£2,000	6.06%	4.88%	n/a	n/a
Instant Access	£2,000	2.91%	2.45%	2.49%	2.12%
TESSA Follow-on	£2,000	6.62%	5.82%	5.69%	5.30%
90 Day Notice	£2,000	3.76%	3.17%	3.08%	n/a

SOURCE: Blay's MoneyMaster

So, your building society is now a bank. And you've got your windfall payment. What are you going to do with it? Well, if it's shares, Nationwide offer a share dealing service that's available to everybody. Or, you could leave the cash in your bank, with the rest of your savings. After all, you were quite happy with your old account in the building society, why should the fact that it's now a bank change anything? Of course because it's

now a bank there may be a couple of changes. Firstly, they now have shareholders. Secondly, those shareholders need to be paid. And how are they going to be paid? Well, you'll find that the interest you get paid on your savings may be a bit less. So the interest your money is earning won't just be going into your pocket. Bits of it will be kept aside to line those of the shareholders. If you think that sounds a bit funny, so do we.

Nationwide have made a commitment to remain a building society. That means not having any shareholders. Which means all your savings will earn you more money. So have the last laugh. Go into your local branch and open a savings account with us.

 In tune with people

Nationwide
THE BUILDING SOCIETY

IF YOU'VE NEVER
SHOPPED
AROUND
CALL US NOW.
0898 369 899

GLASGOW 0141 204 6000
DUBLIN 01 321 3000
LONDON 01 287 1510
SUN ALLIANCE CONNECTIONS
LINDEN HOUSE, CHART NO.1, HORSHAM, W. SUSSEX RH9 1JZ
SUN ALLIANCE SERVICES, PLEASE MAKE US AWARE WHEN YOU CALL

All rates quoted are gross. Rates have been calculated by taking the gross p.a. interest rate applying to the accounts on a daily basis for the period from 20th February 1996 to the 19th August 1996. The calculations assume a capital balance of £2,000 over the 6 month period and do not take into account the capitalisation of interest. Rates may vary in the future. The interest rates quoted assume all the account terms and conditions have been complied with. Full details of our accounts are available in our branches. Income tax will usually be deducted from the interest or the appropriate rate unless you are registered to receive interest gross as required by the Inland Revenue. The products being compared are Nationwide's Bonus Saver, CashBuilder, TESSA 2 and CapitalBuilder, plus Nationwide's Regular Saver, Instant Saver, TESSA 3rd Edition and Investment Accruing Halifax's Liquid Gold, Halifax's TESSA 2 and Solid Gold, and Woolwich's Prime Gold and TESSA. The "Regular Savings" comparison includes the following average interest rates calculated over the same 6 month period: Nationwide's Bonus Saver 3.25% gross p.a. bonus and Abbey National's Regular Saver 3.00% gross p.a. bonus. Bonuses payable only after a full 12 month period. All TESSA rates exclude any maturity bonuses. For investors whose maturing TESSA was not held with Nationwide, the minimum investment in Nationwide's TESSA is £5,000. The Nationwide Sharedealing Service is provided by ShareLink, and its sister company ShareFinder. Both Nationwide Building Society and ShareFinder are approved representatives under the Financial Services Act 1986 of ShareLink, a member of the London Stock Exchange and regulated by the Securities and Futures Authority. Nationwide is a member of the Building Societies Ombudsman Scheme and subscribes to the Code of Banking Practice. Nationwide Building Society, Paper Way, Swindon, SN1 1NW.

international

Bihac feels menace of imam's knock

Andrew Gumbel reports on the sinister tactics being used on Muslims in the run up to elections

The war may be over and the threat from besieging Serb forces a receding memory, but plenty of Muslims living in the Bihac pocket in north-western Bosnia still have reason to fear a knock on the door. These days the unwelcome visitor is not likely to be a thug threatening violence or expulsion, but rather the imam from the local mosque.

Hundreds of people suspected of disloyalty towards the ruling Muslim nationalist party, the SDA, have been visited by their local clerics, sometimes accompanied by agents of Bosnia's internal security service, in the run-up to the elections on 14 September.

The questions are delivered in a friendly manner but every one is laden with menace. How is the family? How are you managing to rebuild your life? You wouldn't want to do anything unwise and jeopardise all that, would you? "The message is quite clear: We know who you are and if you step out of line you might just get shot in the head," said one western official who has heard several stories of this kind.

In many respects, the election campaign in the Bihac pocket looks like the continuation of war by other means. The Muslim-dominated area suffered a double trauma during the fighting: not only a long, debilitating siege by the Serbs, but also an internal conflict between the government's Fifth Army and a renegade force led by a local potentate, Fikret Abdic, who had ambitions to make the area autonomous.

Mr Abdic has taken refuge in Croatia but many of the men who fought for him have tried to resume their former lives. Many were given "welcome beatings" when they returned to the area, according to human rights monitors, and have found it almost impossible to get work. Mr Abdic's party, the DNZ, has put up candidates for the elections but has been unable to campaign openly for fear of violence.

Such tensions have poisoned the electoral process. The other opposition parties in the area say their supporters too

have been thrown out of jobs and harassed by a ruling party apparently determined to control every aspect of public life. Their posters have been systematically ripped down and ordinary citizens are too scared to display them in their windows.

"The SDA is trying to make us all out to be Abdic supporters. One of their election slogans reads 'Vote for us, not for the enemies of Bosnia,'" said Ibrahim Topic, a candidate for the Social Democratic Party who lost his job as a teacher-trainer nearly three years ago and has been excluded from employment since.

In the first three weeks of last month, armed gangs roving the streets after the curfew hour of 11pm launched 28 bomb attacks against opposition figures, bringing the climate, in the words of an election official from the Organisation for Security and Co-operation in Europe, to "the verge of civil war". The SDA-controlled police, who are supposed to enforce the curfew, appear to have seen nothing.

The attacks have become

much less frequent since Carl Bildt and other senior international mediators visited the area late last month and urged local SDA leaders to restore order for the sake of their own reputation. Opposition campaigning has resumed, albeit with the help of heavy protection by local and international police. But the climate of intimidation has persisted.

The role of the Islamic clergy is particularly striking. There are SDA posters outside many mosques, especially in the countryside, and imams are constantly making pitches in favour of the ruling party in people's houses, at public meetings and even, according to some international observers, during religious ceremonies. Many are SDA members, seeing no conflict of interest between their religious and political roles.

"The Serbs may have destroyed our mosques but they created thousands of them in our people's hearts," said Djemal Ljubajic, imam in the village of Liskovac. "The SDA is the only party not ashamed of

its religion and nationality."

The religious tolerance that the SDA espouses towards Catholic Croats and Orthodox Serbs does not seem to apply to its own people. So strongly has institutionalised Islam become associated with the ruling party that many people who are not naturally religious have started attending mosques to protect themselves and their families.

Imams like Mr Ljubajic tell them that the opposition parties are pro-Abdic or pro-communist groups who want to suppress free expression of religious faith, and that the bomb attacks are merely struggles between rival gangs of wartime smugglers.

According to international observers and opposition groups, imams in rural areas have spread rumours that voting will not be secret - so any-

one daring to vote for the opposition will be found out.

"To make sure everyone votes just once, the election monitors plan to mark people who have cast their ballot with an invisible ink that shows up under a light sensor," Mr Topic said.

"But the imams have distorted this, saying that people are going to have their fingerprints taken like suspected criminals. In the countryside, where people are not educated and in many cases not even literate, these stories are believed."

Not everyone in the Islamic community approves of this manipulation of religion for political reasons. But dissenting imams are too scared to speak up. "If I could change anything, I would try no matter what the price," said one, who did not wish to be identified. "But for the moment it is useless."

Arkan was identified in 1992 by the US State Department as a suspected war criminal, alleged to be responsible for massacres of Croat and Muslim civilians in Croatia and Bosnia. It therefore comes as a surprise to learn that a political party led by Arkan has qualified for up to £130,000 in Western-supplied campaign funds for Bosnia's first post-war elections.

The Party of Serb Unity is entitled to receive the money from the Organisation of Security and Co-operation in Europe (OSCE), the international body supervising the elections on 14 September. The fact that Arkan's candidates are openly advocating the unification of the

Bosnian war criminal suspect funded by West

TONY BARBER

Europe Editor



Arkan: backs Serb unification

Serb-held region of Bosnia with Serbia itself - in direct contradiction of last year's Dayton peace settlement - has not prompted the OSCE to deny Arkan's party the money.

Jean Ouellet, an OSCE official involved in preparing the elections, said: "The political campaign funding is basically for all political parties to get their message across. We may not like some of them, we may not agree with some of them, but we cannot censor them."

For Bosnian Muslim politicians and United Nations officials based in former Yugoslavia who

are familiar with Arkan's war record, this is a shameful and inadequate response. They point out that, even before the Yugoslav wars broke out, Arkan was on Interpol's wanted list as a bank robber.

Some argue that Arkan, whose career interests are known to have extended in recent years from brutal "ethnic cleansing" in the Drina Valley to lucrative black market dealings in petrol in Belgrade, should be treated as a criminal suspect rather than as a politician.

OSCE officials, and Western diplomats, note that the UN War Crimes Tribunal in The Hague has not yet formally indicted Arkan as a war criminal - and may never do so. Moreover, Arkan, a native of Serbia, is not attempting to break the Dayton agreement by personally running for office in the Bosnian elections.

Nevertheless, the fact that Arkan's openly Serbian expansionist party has been deemed to be entitled to official campaign money seems likely to knock a big dent into the credibility of the elections.

Nato anger at Serbs as shots fired

Sarajevo (Reuters) — Nato issued a stern warning to Bosnian Serb leaders yesterday after a British Army patrol was forced to fire into the air to disperse a hostile crowd in Serb territory.

"Yesterday the soldiers chose to fire a warning shot. The next time the consequences could be fatal," US Admiral Joseph Lopez, commander of the Nato-led peace force (I-For) in Bosnia, said. "Our troops will do what is necessary ... if they are required to protect the lives of other I-For troops."

A British patrol was escorting two Serb police armoured vehicles in the North-west town of Banja Luka on Wednesday when they discovered unauthorised vehicles and weapons in the convoy, including an anti-aircraft gun and a rocket launcher, Nato spokesmen said.

As the 10-member patrol confiscated the weapons and vehicles, an angry crowd of some 200 civilians surrounded the British soldiers, said Nato spokesman Major Brett Boudreau. When civilians tried to overturn one of the patrol's Land-Rovers, the senior soldier, a sergeant, fired a warning shot into the air, dispersing the crowd, he said.

The British patrol drove on but when they stopped to regroup they were surrounded again by a mob and Serb police cars. To defuse the tension the confiscated weapons were taken by the British to a Bosnian Serb army barracks. Later they were taken to the I-For base on the outskirts of Banja Luka.

Admiral Lopez said the incident showed "dangerous and irresponsible behaviour" by Bosnian Serb police, and praised the British patrol for exercising restraint.

Juppé cuts taxes to boost French morale

MARY DEJEVSKY
Paris

France was last night due to announce tax reforms aimed at making its highly complex system simpler, fairer and less burdensome for the low-paid.

The French Prime Minister, Alain Juppé, went on national television last night to present the outline of a long-awaited plan, which will put up to 25 billion francs back into French pockets from 1997. It also has the wider aim of improving national morale and increasing the depressed purchasing power of French consumers in the hope of fostering economic growth and fending off incipient labour unrest this autumn.

The reform, which will take effect over five years (1997-2002), will increase the income tax at which tax becomes payable and lift up to two million more people out of the tax net. It will also cut the top rate of tax, which, at 56.8 per cent, French officials recognise as driving some of the country's most enterprising individuals abroad. The wealth tax will remain.

The value of the tax concessions is forecast to reach Fr75bn by the time the reform is completed, with the cost being partly recouped by an increase in taxes on petrol, alcohol and cigarettes.

Although Mr Juppé went to unusual lengths to ensure a favourable reception for the reform - presenting it in advance to a clutch of ex-prime ministers and selected French journalists - the early response was grudging. Many commentators said that the amount being given back to the taxpayer (an average of Fr1,780, or £223) was considerably less than what was taken away by the Juppé government in its first year in office. The 2 per cent rise in VAT just over a year ago - to 20 per cent - has been a particular boce of contention and is not affected by the measures.

The total effect of the reform on purchasing power - and thus on economic growth - may also be less than Mr Juppé would like taxpayers to believe. The tax burden in France is relatively low. It is not tax, but the equivalent of national insurance contributions, that has hit French employees hardest.

Many people in the professions and old established industries, could find their income tax bill rises after the reform. The rationalisation proposed by Mr Juppé includes removing a wide assortment of tax breaks peculiar to individual groups. The battle with these powerful factions is only just beginning.

OR talk to insurance
people who treat you like an
individual. Interested?
Call 0800 333 800
for a motor or
home quote.

EAGLE STAR
Direct

Phone for a free quote weekdays 8am-8pm, Saturday 9am-2pm. Motor insurance not available in Northern Ireland.
We regret that we cannot quote for rented unfurnished accommodation.

Which is the only airline to offer complimentary limousines at 137 U.S. airports?

هذا من الأصل

Juppé cuts taxes to boost French morale

MARY DEJESKY
Paris

France was last night due to introduce a budget proposal, designed to help combat the long-term decline in the economy. Among the measures will be a cut in the top rate of income tax from 45 per cent to 40 per cent, and a reduction in the rate of corporation tax from 35 per cent to 30 per cent. The French government has also been considering a package of measures to encourage foreign investment in the country.

Kremlin in crisis: Rivals jostle to take the reins of power while Russia faces months without its recuperating President



Staged appearance: Choreographed stunts were laid on for television cameras to show Mr Yeltsin in 'fine fettle'

A nation sighs in relief as Steffi absolved of tax fraud



IMRE KARACS
Bonn

The pristine heroine whose good reputation had been marred by a greedy father did not grace this particular court. Steffi Graf was absent on the opening day of "Germany's most spectacular trial" in Mannheim, and she intends to stay away till the end.

She has so far escaped blame for the financial transactions that swindled the German tax authorities out of DM19.7m (£8.6m), so the mob baying for blood outside the courtroom had to make do with Peter Graf, publicly condemned as a

"Special rate was negotiated with people in high places" – Peter Graf

fraud even before the prosecutor read the opening statement. Mr Graf, erstwhile second-hand car dealer who struck it rich with his talented daughter, makes a convincing scapegoat. A depressive drunk who consumed a bottle of schnapps a day and handfuls of valium, he has willingly accepted the role of national scapegoat in the hope that his beloved daughter can carry on winning grand slams.

Steffi was not in any way bothered with tax affairs, he told the court, to the relief of the nation. Mr Graf looked tanned, relaxed and smiled a great deal as he delivered an hour-long mea culpa.

He is accused of funneling Steffi's earnings to letter-box companies in the Netherlands and bank accounts in the Dutch Antilles and Liechtenstein in a blatant attempt to evade German tax.

He has already been convicted by the media, and if he is also found guilty by the court he can look forward to between five and 10 years in jail. He has already done 13 months

كذا من الأصل

Charade over as sick Yeltsin comes clean

PHIL REEVES
Moscow

Few rumours can have been so persistently published, and so repeatedly denied. For weeks reports have circulated that Boris Yeltsin is again suffering from heart illness. And for weeks his aides have ducked and dived, saying he was biding away at his papers and suffering from nothing more sinister than extreme weariness. Every now and then, he was paraded, briefly and woodenly, on television.

Yesterday, the charade was finally called off. Mr Yeltsin's announcement that he needs heart surgery confirmed what the rest of the world has long suspected – that Russia has just re-elected a sick man as its president who is unlikely to be in a position to govern for months to come.

His admission was unprecedented in a country whose previous leaders were generally about as willing to reveal their ailments as they were to discuss their deepest nuclear secrets. "I want to have a society based on truth here," he told a television interviewer. "That means no longer hiding what we used to hide."

Medical checks had estab-

lished "something wrong" with his heart; he was given the choice of an operation, or to work "passively". He chose the former, and will be operated on in Moscow at the end of the month. The main surprise was out what he was saying, but that he was at last coming clean.

The first sign that he was in trouble came after the first round of the presidential election June. For weeks, he had fought a high-octane campaign, racing around the country trying to win a second term.

His handlers fought hard to convince Russia that he was in fine fettle despite his record of heart problems and drinking, and his age – 65. Choreographed stunts were laid on for the television cameras; he was shown dancing a country jig, rocking at a pop concert, going down an Arctic coal mine – the picture of vibrant good health.

The strategy worked, even though Mr Yeltsin's health had clearly broken down by the election's second and final round on 3 July. Five days earlier he suddenly disappeared from view, cancelling final campaign appearances because of what his aides, ludicrously, claimed was a "sore throat".

The mass media, which was

overwhelmingly pro-Yeltsin, made little mention of his illness because of the risk it would jeopardise his chances. But when he appeared on television two days before the poll he looked decidedly unwell. On election day, he chose to cast his vote at a country retreat.

In the two-and-a-half months since his victory, he has been mostly out of view. At his few public appearances – including a drastically shortened 45-second inauguration speech on 9 August – he has looked stiff and spoken slowly. Report after report was published claiming he was ill (including one saying he was dead). But his aides insisted it was nothing more than exhaustion.

Few believed them, not least because Mr Yeltsin chose to remain secluded in a country hunting lodge while two huge political issues were playing out – Alexander Lebed's peace mission in Chechnya, and the US bombing of Iraq.

Mr Yeltsin's heart problems date back at least six years, but his worst bouts began last summer, towards the end of a five-year stint in office which had clearly taken its toll. On 10 July, he was taken to hospital suffering from ischaemia – a restriction of the blood flow to the heart. He took seven weeks to recover, only to be rushed to hospital again in October. Weeks elapsed before he was back to full strength.

Apart from serving as a reminder not to believe the President's aides, yesterday's announcement raises many questions. What kind of heart operation will he have? And who will run the country in the weeks, or even months, which it will take him to recover?

The Russian constitution, adopted in December 1993, states that if the president is incapacitated his job passes temporarily to the prime minister, currently Viktor Chernomyrdin. But the evidence of the past few weeks does not bode well. The top men in the Kremlin – Mr Lebed, Mr Chernomyrdin and Anatoly Chubais, Mr Yeltsin's chief of staff – are jostling for power, creating confusion at the heart of the government.

■ Mr Yeltsin finally gave his backing to his envoy Alexander Lebed's peace deal in Chechnya, although he opposed the key point of rapid withdrawal of the Russian military. Mr Lebed was in Chechnya yesterday for another round of talks with the Chechen separatist chief-of-staff, Aslan Maskhadov.



Going native: Alexander Lebed in Caucasus garb after concluding the Chechen peace treaty details yesterday

LOWEST EVER PRICE ON ORANGE

PLUS FREE LINE RENTAL FOR 1 MONTH INCLUDING 60 MINUTES OF FREE CALLS

Orange Motorola mr1 Digital Mobile Phone

- Up to 60 minutes talktime/ 11 hours standby
- 180 name and number memory

SALE PRICE £9.99

DIGITAL CALL CLARITY AND PRIVACY

FREE TRAVEL PACK Usually £39.99

FREE LOCAL WEEKEND CALLS

Motorola m301 Digital Mobile Phone

- Up to 70 minutes talktime/ 12 hours standby
- 99 name and number memory
- Last number redial

SALE PRICE £9.99

PANASONIC G400 Mobile Phone

- Up to 80 minutes talktime/ 20 hours standby
- FREE BATTERY usually £45

HALF PRICE £14.99

Sony 444 Mobile Phone

- Up to 80 minutes talktime/ 20 hours standby
- 99 name and number memory

HALF PRICE £19.99

PEACE OF MIND

FREE LOCAL WEEKEND CALLS

UK'S BIGGEST RANGE

FREE LINE RENTAL FOR 3 MONTHS

MONY BACK GUARANTEE

IMPARTIAL EXPERT ADVICE

THE LINK PRICE PROMISE

THINK

Palmtops - Save up to £40

Psion Series 3a 2MB

- Huge 2MB memory
- PC compatible
- spreadsheets/documents and databases

SALE PRICE £329.99

Psion Series 3a 1MB

- PC compatible applications
- Built in spell check and Thesaurus

SALE PRICE £299.99

ORGANISERS - Save up to £10

Sharp EL6360

- Telephone list
- Dairy, calculator and clock

SALE PRICE £22.99

Packard Bell DB54 Deluxe

- Expense manager
- To-do function

SALE PRICE £34.99

FAX MACHINES - Save up to £30

BT 050

- 20 number memory
- Copier facility
- Hands free dialling

SALE PRICE £199.99

Samsung SF30

- On-hook dialling
- Auto/fax phone switch

SALE PRICE £189.99

MODEMS - Save up to £20

Motorola Internet Solution External Modem

- 28.8kbs data/fax modem
- e-mail software
- Fax and communication software

SALE PRICE £149.99

Hayes 28.8 Message Modem

- 28.8kbs voice/data and fax modem

SALE PRICE £189.99

PLUS SAVE UP TO £100 ON PCs

PLUS SAVE UP TO 10% ON SOFTWARE

The Link

* When you connect to Occasional Calls months 11, 12 and 13 are free. *£6.50 worth of calls per month for 14 months. When you connect to Regular Call Plus. **When you connect to a Celnet digital tariff. ***When you connect to Orange. What you connect to One 2 One, Price without connection £39.99. ****Excludes calls to other mobile phones. *****When you connect to Teltel 60. Connections to mobiles are subject to charges. Ask to store for details.

international

SIGNIFICANT SHORTS

Nothing in America pays off like scandal: just ask Dick Morris. Already the fallen ace political consultant of Bill Clinton, who allowed a prostitute to listen in on conversations with the President, has featured on two successive weekly covers of *Time* magazine – a feat only managed in post-war history by OJ Simpson. Now he has signed a book contract to tell how he masterminded Mr Clinton's return from the political dead (and doubtless how he cavorted with Sherry Rowlands in a Washington hotel while doing so).

The deal was clinched during a meeting on Wednesday with Harry Evans, publisher of Random House. "The Job to No Job," the jibe had run of Morris among his enemies in the White House and beyond. Now he is back in gainful employment. "Dick had been contemplating writing a book for many years," his agent said, "but he never had the time. Now he has." *Rupert Cornwell – Washington*

Yasser Arafat, the Palestinian President, said that his landmark meeting with the Israeli Prime Minister Benjamin Netanyahu was positive but that the issue of Jerusalem would either make or break Middle East peace.

The Israeli Foreign Minister, David Levy, who was also in Rome but did not meet Arafat, said the Jewish state would continue the peace process while safeguarding its own security. In his speech at Rome's city hall, Arafat took a firm stand on Jerusalem, saying the issue of its status "could either make the peace process fail or become a symbol of co-existence and harmony between Muslims, Christians and Jews." *Reuter – Rome*

Russia's expulsion of a Swedish businessman Arrested for spying has prompted the Prime Minister, Goran Persson, to call emergency meeting of political leaders. The arrest reportedly also led to the recall of Sweden's espionage chief in Moscow.

The businessman, identified in Swedish news media as 32-year-old Peter Nordstrom, was expelled from Russia shortly after he was caught buying a doll stuffed with film of classified documents on 23 February in St Petersburg. *AP – Stockholm*

Malawi's most powerful opposition leader was freed on bail of \$1,300 (£84) after being charged with plotting to kill three cabinet ministers last year, officials said. John Tembo is second only to the country's frail former president Kamuzu Banda in the Malawi Congress Party (MCP). Mr Tembo and his niece, Mr Banda's companion Cecilia Kadzamira, who also faces a charge of plotting the murders, are alleged to have hired four men to carry out the assassinations. *Reuter – Blantyre*

Madagascar's President announced his resignation after the High Constitutional Court upheld a move by parliament to oust him. President Albert Zafy said he would step down on 10 October. It was not immediately clear what caused the court to support the National Assembly. No date was set for a new presidential election, but it said Prime Minister Norbert Ratsirahonana would serve as chief executive in the interim. *AP – Antananarivo*

One thousand teachers wore little or nothing as they walked through New Delhi on Teachers' Day to protest that they had not been paid for years. Naked, or in loin cloths, the teachers, all men from India's north-eastern state of Bihar, planned to march to the Indian Parliament and the President's residence but were stopped by police. The missing pay has affected about 200,000 teachers, the group said, and those teachers are forced to tutor to make ends meet. *AP – New Delhi*

Ghosts of war haunt the line where a journey may once have been your last



Working on the railway: A labourer unloading goods from a train on the Beira Corridor line which links Mozambique to Zimbabwe

Photograph: Gideon Mendel

The train to Zimbabwe is helping revive Mozambique's ravaged economy, writes Mary Braid



In the bad old days of the bush war between Mozambique's Frelimo government and the dreaded, South-African-backed Renamo guerrillas, the day-long train trip from the port of Beira to Mutare (formerly Umtali), just inside the Zimbabwean border, required the protection of 9,000 Zimbabwean troops.

The foreign force patrolled every mile of the line, routing Renamo saboteurs. Guns clutched ready, its soldiers also rode in the carriages, a reassuring presence for those who still travelled the line.

Four years of peace make a

difference. Today, as we pull out of Beira station – an enormous, soulless building left behind by the Portuguese – and crawl across the endless miles of mangrove, the only would-be terrorists are tiny boys who run from villages of thatched huts to level imaginary machine guns and spears at the passing train.

With the 16-year civil war over, the track, which was laid a century ago by the British to link land-locked Rhodesia to the sea, is no longer a military target. Once again it carries the hope of prosperity. This time Mozambicans – not their colonisers – may gain.

The Beira Corridor project is almost complete and aims to revive the fortunes of the line, the port and the region. The war left Mozambique bankrupt and wholly dependent on foreign aid, with Beira and its hinterland particularly badly hit. European donors have financed the dredging of the harbour, the overhaul of the dilapidated port and the building of an oil terminal. Beira, with bags of spare capacity, is now struggling to lure trade from Durban and lucrative Zimbabwean freight. Progress is slow.

Passengers are delighted with investment in the line, and travel to and fro inland villages to buy fresh produce which finds its way back to market.

Some travel all the way to the port to buy cheap Zimbabwean sugar and butter which they sell at a profit at home.

Peace means the journey is taken with a lighter heart. But in the packed, chocolate brown carriages used since the days of the Portuguese, war still haunts the psyche.

The locals gossip about a famous female Renamo guerrilla leader, made immune to bullets by a traditional healer.

Before leading her men into battle she would strip naked and her troops would take turns to crawl though her legs. This ritual

"At night you can still hear people talking and the train moves," he says. I laugh, convinced he is joking. He shakes his head gravely. "Maria you should believe. Such things happen here."

From the start the line took five. When it was laid, hundreds died from dysentery, malaria and attacks by wild animals.

Today Joaquin Lucio, 45, is a passenger. But for 20 years he has driven trains from Beira to Zimbabwe. Before it was defended by Zimbabwean troops, he remembers the line was a target for Smith's Rhodesian

kidnappers to stop operating the trains. That happened to some friends. Five of them died.

And he remembers the time before the war when the white Rhodesians came down to Beira in their thousands to lie on the beaches, eat the famous prawns and have sex with the prostitutes.

But Mr Lucio never took the Rhodesians to the coast. "Only white Portuguese engine drivers were allowed to work on those trains," he says. "They said that we Mozambicans lacked skills but even the ticket collectors had to be white."

The Portuguese bought the line in 1949 and showered luxuries such as fridges and stoves upon train drivers. The trains ran twice the speed they can today, for the track and rolling stock were in good repair. Today carriages are filled to bursting and people spill over into corridors; poor tracks make journeys tortuously slow.

There is much for a train enthusiast like Mr Lucio to miss as Beira struggles to rise from the ashes. But not the arrogance of the British and Portuguese. "When the Portuguese left they said the trains would soon stop running and that we Mozambicans would never manage our own," he says. "Well they went and we managed and the trains are still run today."

Fran unleashes fury on US

RUPERT CORNWELL
Washington

Hurricane Fran, shaping up to be the most devastating storm to hit the United States' eastern seaboard in four years, last night unleashed its fury against the coast of the Carolinas. US authorities are bracing themselves for a damages bill running into billions of dollars.

The one piece of good news was that the South Carolina city of Charleston, a jewel of the old South battered by hurricane Hugo in September 1989, seemed likely to avoid a direct hit. But although Fran was forecast

of 120mph, is slightly less powerful. But as the storm approached land, hurricane force winds of 75mph or more extended 145 miles from the eye of the storm. Forecasters predicted that areas 100 miles inland could suffer its full impact, as it continued its north-westward path to the mainland.

Shores in Fran's path were all but deserted last night. Almost

half a million people have been ordered to evacuate by South Carolina's Governor, David Beasley. Those who have chosen to stay have boarded up windows and doors, but even that may not be protection against an ocean surge that could send a 12ft wall of water crashing into coastal buildings.

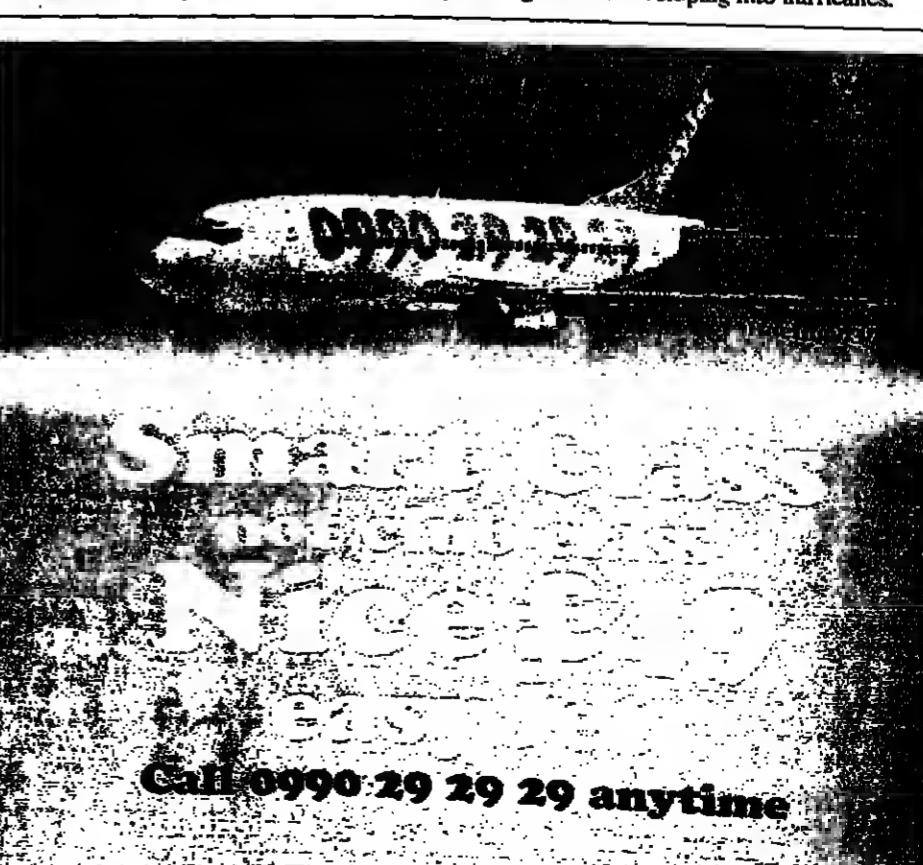
Fran is but a symptom of a deeper worry among US ci-



to come ashore some 100 miles to the north, at the resort of Myrtle Beach, it appears to be scarcely less fearsome.

With its 130 mph winds, flooding rains and massive sea surge, Hugo killed 27 people, destroyed 17,000 homes and caused \$36m of damage - \$2bn in Charleston alone. Of recent hurricanes, only Andrew, which devastated the southern tip of Florida in August 1992, was worse.

Fran, clocked at a maximum



Call 0990 29 29 29 anytime

OR insure your home with us and we'll replace your locks if you lose your keys.
Interested? Call 0800 333 800

EAGLE STAR
Direct

If you lose your keys anywhere in the UK, Eagle Star will arrange for locks on external doors to be replaced, at no extra cost. Phone for a free home insurance quote weekdays 8am-8pm, Saturday 9am-2pm. We regret that we are unable to quote for rented unfurnished accommodation.

هذا من الأصل

here
ur last

After the bombing, the West's muddle remains

There is something intrinsically absurd about hurling million-dollar, computer-packed missiles at Iraq — each worth the annual average income of 400 Iraqis. On the other hand, the more strident and sanctimonious criticisms of President Clinton's decision to send in the Tomahawks — that these were purely electoral air raids and therefore immoral — miss the point.

Bombing Iraq may well be an electoral windfall for Bill Clinton, but the logic of US, and Western, policy would have demanded a response of this kind at any time in the past five years. At least, this time around, Washington — but not the British government — has spared us the moralising and tendentious justification that this is all about helping the Kurds.

Of course it is not. It is about looking after our own vital interests in the region; first and foremost ensuring that access to oil is controlled by regimes which are stable and on our side. More specifically, it is about maintaining (with the vaguely legal backing of various UN resolutions) the heavy chains placed on Saddam Hussein in 1991 after the Gulf war allies balked at the military and political cost of eliminating him.

Within the limited confines of this policy, once Saddam had sent his tanks into the autonomous Kurdish zone, President Clinton had no choice. Sending in the cruise missiles was a

statement to Saddam that the US was as determined as ever to slap him down. This is a limited statement and solves nothing in the longer term; but it is not a wholly empty statement. Doing nothing would also have been a statement and one which Saddam, on past form, would have read all too eagerly.

Of course, the Clinton administration might have done more to prevent the disintegration of the Kurds into squabbling factions (although no one has ever succeeded in the past). As revealed by this newspaper today, Washington utterly failed to respond to increasingly plaintive messages from the Kurdish Democratic Party, asking for help against their Iranian-backed Kurdish fraternal foes, the Patriotic Union of Kurdistan (PUK). The US was understandably reluctant to take sides in internal Kurdish fighting, dismissing them as "small fish". But the consequence — the KDP falling into Saddam's clutches — was foreseeable and deeply regrettable. The missile strikes may intimidate Saddam into limiting his military aid to his victims-turned-clients but they have done nothing to alter the new politics of northern Iraq.

The wider truth is that US, and Western, policy towards Iraq is a half-baked muddle (and lack of attention by the Clinton administration is partly responsible). But can anyone offer a sensible alternative? Containing Saddam without removing him leaves him as a per-

manent, resourceful, vengeful and evil presence. The extension of the No Fly Zone in southern Iraq up to the Baghdad suburbs is an attempt to squeeze and humiliate him further, in the hope that his own brow-beaten military will eventually lose patience with the "God-supported leader". Don't hold your breath.

But not containing Saddam makes even less sense. The approach suggested by French and Russian attitudes, attempting to, in France's phrase, "reintegrate" Saddam with "the international community" smacks of either appeasement or cant. The "collapse" of

the Gulf war coalition reported this week is old news. France, Russia, Turkey and Syria have been playing footsy with Saddam for quite a while now. France is almost indecently eager to sign new trade deals with Baghdad. This was the approach adopted by the US and British governments in the late 1980s which led directly to the 1991 Gulf war.

Despite this week's first meeting between Mr Arafat and Mr Netanyahu, the Palestinian-Israeli peace process is in a moribund state of abeyance. The divisions between Europe and the US on how to deal with Iran — critical dia-

logue or aggressive containment — are dangerous and self-defeating. Talk in 1991 of the Gulf war producing a New World Order through the UN, and a New Pax Americana in the Middle East, have proved to be an illusion (although the Palestinian-Israeli peace has proceeded much further than many thought possible and is perhaps still resuscitable).

Perhaps most disturbing of all are the hostages to fortune represented by our blind support for the autocratic and repressive regimes in the region which happen to be friendly to the West. Some argue that there is no difference, except maybe in degrees of ingenuous brutality, between Saddam and other Arab regimes. This is nonsense. Saddam is an expansionist megalomaniac; the Gulf kings, princes and emirs are not. However, if the name of the game is ensuring that stable pro-Western governments remain guardians of the world's biggest and best oil wells, our unconditional support for some of the most anti-democratic regimes in the world may be counter-productive. In the longer run, the biggest threat to Western interests in the region may not be Iran or Iraq but the internal pressure-cookers bubbling away in Saudi Arabia or Bahrain.

Periodic air raids on Iraq, widely portrayed in the region as Americans killing Arabs, or Christians killing Muslims, do not help. On the other

hand, releasing Saddam from his Western-made bottle would help even less. The cruise raids were necessary but nothing to be proud of. Once the presidential elections are over, European countries, and the the new US president (or the old one), must start an urgent reappraisal of long-term Western strategy in the Middle East.

Playing today's political games

The exhumation of an ancient gaming board near Colchester invites speculation about Roman gaming rules. Games can reflect the politics and culture of the societies in which they originate. In Japanese Shogi, captured pieces change sides in fine mercenary tradition. The Vikings played a game in which a raiding party must escape back to the sea. So what will future archaeologists make of late 20th century European chess? A white king, perhaps the president of the EC, surrounded by 15 member states, eight of whom — the pawns — are in the slow lane to economic union. All are hassled by the black pieces — national opposition parties. Most pieces, they may conclude, probably moved in circles and nobody was ever sure who had won.



ONE CANADA SQUARE, CANARY WHARF, LONDON E14 5DL
TELEPHONE 0171-293 2000 / 0171-345 2000 FAX 0171-293 2435 / 0171-345 2435

LETTERS TO THE EDITOR

Stop playing fiscal fantasy football

Sir: Your campaign to highlight the parlous state of our public finances is not. I am afraid, having much success. In the current climate of pre-election politics, the predictable response has been for each party to say to the other, "You will raise [have raised] taxes, I will [have] cut them."

What your analysis and Diane Coyle's article "Labour looks favourite for the fiscal beauty contest" (5 September) show is that the need of the hour is "tax, not spend". Indeed, the party that comes to power in 1997 will have to be prepared to raise taxes to meet the Maastricht criteria, whether we are in the single currency or not. Whatever the pre-election Budget, the post-election Budget will have to be a tax-raising one.

The poverty of fiscal debate in the UK has reduced the word "tax" to "basic rate of income tax" and every proposal, no matter how small, is costed in terms of so many pence on the basic rate. Thus, afraid of proposing any positive projects, politicians of both parties are falling back on the rhetoric of "deep" cuts in public spending. This is a delusion, of course. The last time there was a real cut in public spending was in the days of Denis Healey who, in 1976-77, produced the only year-on-year reduction in real public spending. Public finances have come to resemble a game of fantasy football — pluck millions out of the air and put them together as it suits your argument.

An independent central bank is much mooted. But that is a hangover from days of monetarist dogma, when people blamed money supply growth for all our ills. The Bank of England has hardly done any harm to the economy compared with the roller coaster rides of Lawson, Major, Lamont and Clarke. Perhaps we need an independent fiscal authority which will stop playing fantasy Budgets.

Professor MEGHNAJ DESAI
The Centre for the Study of Global Governance
London WC2



Behind every successful man there's a good woman

Pensions, the forgotten lottery

Sir: The future financial outlook for millions is grim. I am sickened by the numbers of ash-faced constituents who tell me their private pensions pay out only a fraction of what the salesmen promised. Why are pensions the forgotten political issue?

A huge number of people in their 20s and 30s pay no pension contributions. To get a decent pension, at least 15 per cent of salary should be paid throughout the full working life. How can that generation afford 30 per cent payments in their 40s and 50s?

Only 7,000 of the 1,500,000 who were mis-sold dodgy personal pensions have been helped.

The safety net of the basic state pension has been slashed annually to a total cost of £1,000 per pensioner. Without new action, in the next century its value will be nugatory.

Private "money purchase" pensions are a lottery. Between 25 per cent and 50 per cent of cash paid in disappears in commission, profits and administration. Falling annuity rates slashed the value of these privatised pensions between 1990 and 1994 by 30 per cent.

Serps, the state-run second pension scheme, uses only 2 per cent in charges and is delivering superb value index-linked pay outs.

Pensions should be a major election issue. We can easily afford to beef up basic pensions and create real choice with a new, efficient, good-value state second pension scheme.

PAUL FLYNN MP
(Newport West, Lab)

House of Commons, London SW1

Childbirth care on the cheap

Sir: In response to the article in your Healthy Pregnancy supplement (3 September) celebrating the Department of Health's Changing Childbirth, may I introduce a note of caution?

My experience of giving birth in a central London hospital was as follows: no guarantee of a delivery room, no guarantee of a monitor, nor bed, nor hell; pressure to accept a 24-hour discharge, and finally, little continuity of care before or after delivery. I thank goodness under the circumstances, that some informed paternalists had made the decision that at a very minimum I should be in a consultant-led unit, with access to an anaesthetist, resuscitation unit and operating theatre.

By all means, let mothers speak up, but perhaps our time would be better spent lobbying for better-funded hospital care than innocently pandering to what must please any government — the prospect of cheaper care at home or in a midwife-only unit with the appearance of public endorsement. Look at psychiatric care in the community, and be warned.

DRUSILLA GABBOTT
PICKTHALL
London N19

Sir: I do wish people like Louise Silverton (Letters, 2 September) would stop talking about the "dangers" of bottle-feeding. Every woman (pregnant or not)

knows only too well that "breast is best", but please spare a thought for those mothers who are unable to breast-feed their children, through no fault of their own.

I felt bad enough not being able to breast-feed my two sons, and, together with very supportive district nurses, spent considerable time and energy trying to fulfil my maternal role naturally — all to no avail.

So while we all agree that breastfeeding gives the best possible start in life, please don't make those young mothers who have no choice but to bottle-feed feel even worse than they already are.

G BOYLE
Feltham,
Suffolk

Sir: Debbie Muselwhite ("If you are pregnant you're not alone", 3 September) has done pregnant and would-be pregnant readers no favour by her inaccurate statement "there are special antenatal tests such as CVS (chorionic villus sampling) and amniocentesis, which will determine whether or not your baby has any problems".

These tests provide diagnoses of relatively few, mostly rare conditions for women known to be at higher risk for having a baby with a particular abnormality. A normal test result is not a guarantee of normality. Most abnormalities are not diagnosed by these tests and by suggesting they are, she has fuelled the myth that it is possible to "order" a normal baby.

JOHN BOATER
Teddington,
Middlesex

Misleading exam tables

Sir: On 31 August you carried a report on the league tables of leading independent schools' GCSE results ("Girls leave the boys trailing in GCSEs"). The table had been prepared by the Independent Schools Information Service.

Fifty schools were listed — the top seven claimed 100 per cent A* to C grades at GCSE. However, this figure is quite misleading.

The league tables for state schools are published by the Department for Education and give the A* to C grades at GCSE as a percentage of pupils on roll in the previous January (Form 7 census time). Pupils who subsequently drop out of school, or who are not being entered for any GCSE exams, are still included in the total from which the percentage of A* to C grades is calculated.

Also, significantly, state schools enter pupils for GCSE when they feel a grade can be obtained between A* and G. Clearly the leading independent schools are prepared to enter pupils for GCSE only when they can confidently predict at least a C grade. This distorts the apparent achievement of these schools.

If this is to publish figures which can be used as a comparison with the league tables for state schools, it must calculate them in the same way.

JOHN BOATER
Teddington,
Middlesex

No UN backing for Clinton

Sir: Both the Defence Secretary, Michael Portillo, and US government spokespeople have justified the American attack on Iraq with reference to UN Security Council Resolution 688, of 1991.

This resolution "condemns the repression of Iraqi civilian population... including most recently in Kurdish-populated areas" and demands that Iraq "immediately end this repression". It goes on to empower the Secretary General to "use all the resources at his disposal, including those of the relevant UN agencies, to address urgently the critical needs of the refugees and displaced Iraqi population."

Nowhere does it provide for unilateral military action by any UN Security Council member to enforce this. President Clinton's decision to punish Saddam undermines the authority of the UN, whose own inspectors uncovering covert Iraqi military establishments are currently in Iraq.

Dr DAVID LOWRY
Stoneleigh, Surrey

Waiting for God

Sir: I Richard Pater (Letters, 5 September) likens teaching children the importance of religious belief to the need to look both ways before crossing a road: "if there really is no traffic it makes no difference..."

But what really happens is that the believer tends to take the child to a manifestly empty road, with no sign of traffic, and to say: "Look at that enormous lorry, it's heading straight for you, don't pretend that you cannot see it, it's vital to your whole future that you admit to recognising it..."

MIKE DOUSE
Norwich

Action women

Sir: According to Hugh Peto (Letters, 30 August) "social, scientific, and artistic experimentation have always been generated in the male-dominated public sphere". My experience is quite the reverse.

Almost everything in the arts since the late 1980s that has seemed to me to be fresh, adventurous or moving has had a — often the — major input from women. And amongst my friends the most adventurous are the women.

COLIN BARTLETT
Tadworth, Surrey

Heated argument

Sir: Philip Danbeney (Letters, 4 September) failed to spot a major cause of global warming — the English language's lack of a single word to express "put only enough water" in the kettle to make a cup of tea. Generations of children are brought up to "fill" the kettle, and keep the globe warming. A suggested new word is to "pow" the kettle.

GREG LEONARD
Department of Information Science
University of Portsmouth

analysis

Labour's trade-union time bomb

The big unions that once brought Britain to a halt are lying low. But for how long? By Barry Clement



Photomontage: Julian Saul

Winter of discontent: the unions are nothing like as powerful as they were in 1979, but Tony Blair still owes them

It has been an extraordinary exercise in political discipline. For the past two years or more, trade-union leaders have witnessed with mounting anger the Labour Party change from a democratic socialist organisation to a social democratic one. An "SDP Mark Two".

With little more than a middle-aged hump, the union "barons" have allowed Tony Blair to take the party by the scruff of the neck and shake it free of socialism. That would be fine but for the fact that it was the unions, many of which still harbour an unfashionable yearning for socialism, which established the Labour Party in 1906 and continue to be its biggest benefactor. The provenance of the party and the financial link with unions is not something that Blair cares to acknowledge, and it will certainly not be part of the sales pitch to the electorate.

In the words of one senior figure in the movement, the party is behaving like the proverbial teenager towards his parents: "You can drive me to the disco, pay for my booze, but park round the corner so my mates can't see you."

For the most part, union leaders have acquiesced in this demeaning role. The labour movement panjandums, all essentially politicians, have remained uncharacteristically quiet – in public at least. They have kept their distance as Blair has paraded new Labour as the party of business and low taxation – as he did on Wednesday at a £470-a-ticket London conference. It was meant for senior company directors, but half the delegates were from PR firms.

Despite high-profile donations from elsewhere, union affiliates contend that they contribute around two-thirds of the money that flows into party coffers. And the unions have "delivered" for Blair and his allies. Not only have they kept

the money rolling in, they have voted – sometimes against their instinctive judgement – for fundamental changes in policy. They have kept the movement's great unwashed at bay.

Next week at the TUC Congress in Blackpool, union leaders will continue to do the leader's bidding by ameliorating the call for a minimum wage of £4.26 an hour. Blair, who will be dining with the TUC's general council next Wednesday, has indicated that TUC commitment to any figure would be unhelpful. Unions bosses are ready to do mental cartwheels over their own policies to oblige.

The unions' most important "gift" to Blair to date was their help in the abolition last year of Clause IV of the party's constitution, which called for wholesale nationalisation.

The continued acquiescence of unions is all the more remarkable for the fact that Blair does not necessarily regard them as "The Voice of Working People"

and therefore as major players in policy formation.

It was not always thus. Under the prime ministers Wilson and Callaghan, union leaders were habitués of the corridors of power and all the most senior officials had direct and constant contact with Cabinet ministers.

This was the famous (to some people infamous) era of "beer

and sandwiches at 10 Downing Street", where the Government struck deals with union leaders.

So powerful were the unions

pre-Thatcher that in 1974 Edward Heath, the then Tory Prime Minister, called a general election to decide "who rules government or unions?"

The poll, in which he lost, came after a miners' strike that reduced the whole of industry to a three-day week to save power. In 1979 came the so-called Winter of Discontent, during which around a fifth of the working population either took industrial action or were laid off because of it.

How times change. Now, despite the Royal Mail and rail disputes, strikes are at a historic low and in Blair's eyes unions are simply one among many special interest groups. Even three years ago unions would not have tolerated such a role.

After 17 years of Tony government, they are prepared to roll on their backs and have their political tummies tickled. The Labour leader simply does not listen to the party's big affiliates unless they are addressing masters of direct union business.

Blair's predecessors have taken on board the musings of teaching unions on the national curriculum or pupil discipline. Blair will develop his own policies, advised by his own hand-picked experts.

Unions will have an input, but no more than academics and parents' groups – some would say considerably less.

But clearly for the unions the game is still worth the candle.

There is an unspoken accord. Crudely put, union leaders have given Blair what he wants – they still command half the votes in policy-making conferences – in exchange for very specific promises. There is a shopping list, and promises from the Labour leadership that purchases will be made.

Top of that list is the repeal of a seemingly innocuous,

pling list is a pledge to sign up to the Social Chapter of the Maastricht treaty. Finally, the unions will be calling in Labour pledges on minimum wages to be determined by a low pay commission representing both management and unions.

The Labour leadership has

sorely tested the self-discipline of unions by progressively watering down its side of the bargain. Considerable swathes of Conservative legislation are to be kept and there is to be no fundamental review of employment law. A long-standing promise to liberalise the laws

senior representatives of the TUC and there is the Trade Union Liaison Office, where those unions that are affiliated to the party meet the leadership.

Through these channels, union bosses have been keeping a fatter eye on the health of their accord with Blair and airing their disagreements in private. Here also, the Labour leader meets people with whom he has little in common.

Blair regards Rodney Bickerstaffe, general secretary of the big white-collar union Union, with suspicion: Bill Morris of the Transport and General Workers' Union as unreliable; and John Edmonds, leader of the GMB, as too clever by half.

In these meetings the union leaders have warned Blair that it may well be a game of two halves and that there may be trouble ahead. Although Labour has been reassured of union good behaviour ahead of any election, there is a different consideration about life after a Blair victory.

Blair has been told by union leaders that workers' aspirations under a Labour government might be difficult to control. Union leaders can manipulate their troops to support motions at conferences, but the attitude of the British workforce to their pay and conditions is quite another matter.

There is little public contact between Labour and the unions outside the party's national executive committee and at the annual conference. But there are regular meetings between senior union officials and the party leadership in forums which are rarely, if ever, acknowledged. There is the "contact group" where Blair and his deputy, John Prescott, meet

trickle into their pockets.

Evidence of rising expectations and growing industrial militancy has surfaced at London Underground, in the rail network and the Royal Mail. In the latter dispute, Alan Johnson, joint general secretary of the Communication Workers' Union and one of the strongest supporters of Blair in the union movement, has conspicuously failed to keep his troops in order.

Johnson has been decidedly unhappy that his members have chosen the run-up to the election to flex their industrial muscles.

Blair has indicated publicly that the union should ballot its members on the latest Royal Mail peace formula. So far, neither Blair nor Johnson have been successful in persuading postal workers to behave themselves. That could well be a harbinger of things to come.

The biggest battleground will be the public sector, where the Tories have frozen wages for the past three years and where union organisation is at its strongest. If Major holds off the election until next April, the public-sector pay round will in effect be over by the time any winning Labour team walks into Downing Street.

Unions could then invoke the introduction of a national minimum wage as a way of keeping industrial peace. The following year, however, might be more problematic. In private meetings, Blair has been

warned that the party is preparing over a "policy void" on public sector industrial relations. As one prominent union leader put it: "There is a lot of ill feeling, but no one wants to be seen to be opening their mouths and contributing to a Labour defeat."

Union leaders have warned Blair that it may well be a game of two halves and that there could be trouble ahead

rather technical, but critical piece of legislation, passed in 1993. This obliges union members to authorise the deduction of union subscriptions from their wages every three years. It means that unions have to keep "re-recruiting" their six million members and notifying all individuals about any change in fees. It is rather like banks having to keep signing up all their customers every few years. The law hits at the unions' lifelines. They believe that repeal is essential for their survival.

The second most important item is a concession from Blair on union recognition. Where half or more of employees vote for a union to conduct collective bargaining on their behalf, then employers would be forced to deal with it. Also on the shop-

on secondary industrial action, for instance, has been dropped from Labour's latest policy documents. Union bosses kept their own counsel on their misgivings about the change, but the fury, especially on the left, was real enough.

Both the party and the unions kept quiet about the secretive talks during which their unspoken deal was struck.

There is little public contact between Labour and the unions outside the party's national executive committee and at the annual conference. But there are regular meetings between senior union officials and the party leadership in forums which are rarely, if ever, acknowledged.

While Blair has been keen to keep a lid on expectations in virtually every speech he makes, unions have told him that their members may see things differently. At its most basic, their argument is that if working people vote Labour it will be because they believe a Blair government will change the economic atmosphere to allow a few more pounds to



Abuse, abductions, violence in schools, mass divorce... does anything remain of the traditional carefree childhood idyll? A major two-part series investigates

Plus: an exclusive interview with Alistair Cooke, and your chance to win £500 in the new *Independent on Sunday/Bloomsbury Short Story Competition*

and in real life

Is she really going out with him? Why fascinating women date dull men. Plus: John Wayne Bobbitt, movie star, cuts his losses, and fashion for men

IN THIS WEEKEND'S INDEPENDENT ON SUNDAY

A hitch-hiker's ballad of the Fringe



Miles Kington

I thought that I would not be referring to the subject of the Edinburgh Festival and Fringe again for another year. I thought I would be able to get back to more congenial topics such as my ever-growing collection of motorway ballads, those modern examples of folk verse which I collect from hitch-hikers and stray encounters at motorway service areas.

But today I find myself in the happy position of being able to do both, because this week I gave a lift back from Edinburgh to a travelling man who told me a long ballad about a chap who goes to work on the Edinburgh Fringe when he is young and impressionable, and then makes the mistake of going back when he is grown-up. It's sad and touching, I think, but ultimately hopeful. It also has quite an ambitious rhyme scheme for a ballad.

When I was only 22
I went to the Fringe with a revue
From a drama college in Crewe
– I'd never been north before.
We stayed in a flat where fungi grew
And tried to live on tinned Irish stew
While the beetles marched past two by two
As they came across the floor.

Yes, when I was young and little knew
I went to the Fringe in a revue
Which went on stage at midnight 02
And we all got late to bed.
Our script was good if somewhat blue
Our audience was very few
(Our venue was somewhere near the Zoo)
And we all went home in the red.

I was known as the technical crew
Which meant that everything nasty to do
Was always left to you-know-who,
Whether small or large;
When amps broke down or fuses blew
Or the stage was totally covered in goo
Or someone had to unlock the loo
I was the bloke in charge.

So, when I was only 22
I slept in a room with a lovely view

Of piles of discarded tiramisu
From the Italian joint next door
Every time the east wind blew
The smell of pizza came right through
And this was true of the west wind too:
It was very hard to ignore

Yes, when I was only 22
And went to the Fringe in a revue
In a pile of student bedding
And I didn't really know what to do
And then she said, I'm pregnant too
And the doctor said, I'm afraid it's true
So we had an unscheduled wedding

And now that I'm over 42
We've come back to the Fringe with déjà vu
– It's now a smoker hall
And we really don't know what to do
For the Fringe is a monster which grew and grew
And everywhere you have to queue
Even if you're going to the loo.
And tourists throng from Kalamazoo
And Venezuela and Peru.
It's not the Fringe that once we knew
So we finally went to the Tattoo –
At least THAT's still quite small!

مكتبة من الأصل

Juppé
as taxes
boost
French
norale
REJEVSKY

Small business is Labour's business

Blair's party should forget the corporate bogeys of the past and look to the job creators of the future

Suddenly the election is for real. The unofficial campaign kicked off this week with the wholly unsurprising trading of insults about taxation and the somewhat more surprising appeal by Labour to the business community. Labour's manifesto for business got, it seems, a ho-hum reception: not too much open hostility except on taxation and the Social Chapter, but not much warmth either despite a supposed concession by Labour on takeovers. It must be a hit dispiriting: all the efforts by Labour leaders to show that they are not anti-business, and, save the occasional maverick higwag who is prepared to sign up (and hope for a pension for his courage), hardly anyone of note in the business community will openly support them.

Labour's relationship with business is a bigger problem than its problems over tax. At least tax is a clear-cut issue. Business is about ideas and instincts. Labour – uniquely among parties in developed countries – knows very little about business. Hardly any Labour candidates have a business background. None of the top rank of the shadow cabinet has business experience. There is a gaping hole, and it shows. It is very hard to think of any such

successful economy anywhere in the world where business is at loggerheads with government, and a modicum of economic success is utterly essential to Labour if it is to achieve any of its social objectives. If the business community is demoralised, economic catastrophe awaits. So it is powerfully in its own self-interest for Labour to build a relationship of trust with business people. But how? By stopping, I suggest, making three mistakes and by exploiting two opportunities.

Mistake one is to assume that by talking to the representatives of businesses you talk to business people. For a start, the Confederation of British Industry does not represent business in the way the Trades Union Congress represents the unions. More importantly, the heads of big businesses are not as a rule particularly involved in British politics. Britain is just one market among many; half the profits of the top 100 companies come from abroad and many of our big manufacturing companies are not British-owned.

Labour needs tacit support among ordinary managers and professionals, not the people who attend seminars. Mistake two is to focus on manufacturing and on big business. Of course both matter, but neither mat-



HAMISH MCRAE

ter nearly as much as when Labour was last in power. Manufacturing is now little larger as a percentage of GDP than financial and business services. As for business size, some research in the *Economic Journal* coincidentally out this week shows that between 1989 and 1993 small businesses that survived the recession increased their employment by 50 per cent, while large ones cut theirs by 6 per cent. Thus even successful big businesses are still shedding labour. Small companies are providing the jobs now, and, it seems overwhelming likely, the jobs of future.

Mistake three is to assume that the City hates Labour. It is perfectly true that, a generation ago, the financial markets did not go a bundle on Labour policies, and that they were aghast at the Labour Party of the early

1980s. But now that is a memory: the City is so international that economic policies in Britain are assessed in just the same way as policies in France, Germany or Japan. The idea that Labour-leaning industrialists are afraid to disclose their support for fear of antagonising the City is nuts. The main reason investment managers are wary of business people is that they are worried they will spend too much time messng around chasing peerges and not enough running their companies. There is, of course, a problem on tax – tax on dividends and tax on personal incomes – but Labour has said there will be no penal taxation and that it will make its tax plans clear before the election.

Labour should stop worrying about the old generation of corporate leaders and focus on the middle-ranking professionals; recognise that the jobs of the future are in services and small business; and learn, if not to love the City, at least to appreciate that financial markets are deeply meritocratic and pretty fair-minded.

That is a start. Now for the positive things Labour can emphasise. One is trust-busting. Big business, for all its advocacy of the markets, likes cosy

arrangements which limit competition. A well tended monopoly – adequate service, fat margins, little upheaval – is a fine way to make money. Anything Labour can do to make life uncomfortable for the dominant players will be welcomed by the rest.

Next, Labour should seek to tailor policies for small business. There is no reason why the Blair party should not prove attractive to the growing army of small businesses, including the many self-employed. These are not plutocrats or exploiters of other people's labour. They will increasingly become the bedrock of the economy. But meanwhile they need help, for many feel that over the last few years the Government has been insensitive to their needs. For example, regulations which for large firms are simply an additional cost – they set up a division to handle them – are for small firms a disproportionate burden.

Acting against monopolies and supporting tiny businesses ought to be meat and drink for a party which seeks to stand up for the weak against the strong. It may be a giant leap from the state corporatism of the 1970s, but arguably fits in more closely with the party's origins. For Labour, it would be back to basics.

A lost mother, a lost world

BOOK REVIEW
The Scent of Dried Roses
Tim Lott
Viking, £16

In 1988 Lott's 57-year-old mother, Jean, committed suicide; an act for which no one in the family was remotely prepared. If anyone might have been expected to do so, it would have been Tim himself, who had slowly and painfully emerged from a black hole of depression a year previously. What does the death of a mother do to a family? Lott draws his breath in pain like a modern Hamlet and hacking through time and space to tell Jean's story, his own, and those of his brothers, uncles, aunts and friends.

The exercise is salutary, by turns moving and amusing. At first Lott finds himself struggling with "a snakepit of narratives that compete, and eclipse each other, then slide mutely back into darkness".

Gradually, like the meaningless pieces of a jigsaw turning into a picture, he makes a sort of sense of an act that will always feel shockingly cruel to those you leave behind. But, as Lott knows from his own experience, "anyone who can feel so little for themselves that they want to die is hardly capable of feeling for others. Which, of course, is why life becomes so absolutely without reward."

Lott educates himself in the nature of depression, the chicken or egg debate between sociologists, psychologists and psychoanalysts as to its nature and cause. Freud defined depression as an act of anger, an attempt to destroy something or someone that some moral imperative in your head prevents you from even admitting that you hate. Geneticists point out that a tendency to depression can be traced through particular families. Biochemists identify change in the body chemistry and talk of hope as a combustible mixture.

The social and economic neutering of young black men is increasingly countered with initiatives borrowed from America, which promise to give them back their masculinity. Whether this is through the Nation of Islam's tried and tested definitions of manhood or the quasi-militaristic tone of separate schools, street culture itself has already become one vast exercise in displaying its bruised and battered form the brand of distorted machismo that schools find so disruptive.

To be reminded almost innocently that our schools should give everyone who goes to them a decent education is to be reminded of a collective failure – a failure of will as well as of funds. As society we no longer seem to believe in equality of opportunity. We do not think about this in terms of race – too many Benetton ads have funded our heads – but our gradual acceptance that there will always be a sector of society who are resolutely underclass, resolutely unlike us, who are amoral, promiscuous, criminal, subcultural. This definite racial implications. As the *Charles Murray* of this world (who insist on seeing a genetic link between race and intelligence) well know. "We owe all our children ... the best possible start in life," said Cheryl Gillan, the education minister. Fine words, but they will only get it if we believe that all of them actually deserve it. Do we?

CHRISTINA HARDYMENT



Do you
believe they
should be
destroyed just
because
they have no
home?

Yes No

If you answered 'No' to this question, you could help The Blue Cross save the lives of thousands of unwanted and abandoned pets by signing The Blue Cross Pledge.

Please fill in the coupon below for further information.

Yes I'd like to save the lives of animals
in need. Please send me details of
The Blue Cross Pledge.

Name (Mr/Mrs/Miss) _____	
Address _____	
Postcode _____	
Send to: The Blue Cross, Freepost, Room 711C, Shilton Road, Burford, Oxon OX18 4BR. Reg. Charity No. 224392.	



The post-racist bubble bursts

We knew it all along. Now even Ofsted admits the link between race and educational achievement



SUZANNE MOORE

When you reduce education policy to little more than a prolonged "Testing, testing 1,2,3 ..." scenario, you cannot really be surprised if the figures don't add up. While we are apparently to test children just out of nappies in order to monitor them more closely, we have for some time ignored the under-achievement of certain ethnic minorities. Well, officially, anyway. To talk of difference, diversity, multi-culturalism, racial harassment is dreadfully PC. This Government has preferred the colour blind approach, otherwise known as the ostrich position, insisting that league tables are perfectly justifiable and that the social background or ethnic origin of a school's pupils are irrelevant.

Yet into this post-racist bubble plops a report from Ofsted that says, guess what, ethnic origin is a factor in education achievement. Well you don't say? Here is a case if ever there was one where everyone has known what was going on for some time. All Ofsted is doing is acknowledging it. Black parents know about it. The white middle-class particularly knows about it. They bus their kids across the city to avoid contamination by those of different social or ethnic origin à la Harman or Blair.

The state system, they argued, has failed, and therefore they are entitled to such segregation. Of course it is never described in these terms. It's not about race, it's about wanting the best for their own children, which of course is entirely natural. They are not pre-judiced because actually some ethnic minorities really do work jolly hard, like the Chinese, you know. And I do



We owe all our children the best start in life, says the Government. But do we really believe it?

temporary suspension. Most pupils who are excluded never really go back to school, and black pupils are between three and six times as likely to be excluded as their white counterparts.

Low expectation leads to low self-esteem, or so the theory goes. Some teachers are scared of big black boys, though there are studies showing that they tend to misread their body language. In this case it is a small matter of educating the educators, but surely the real reasons for failure are much more complex. The lack of extended families, the demonising of single mothers, the scarcity of positive male role models, the reality of unemployment and poverty, the alienation from mainstream society, the sheer lack of hope is a combustible mixture.

The social and economic neutering of young black men is increasingly countered with initiatives borrowed from America, which promise to give them back their masculinity. Whether this is through the Nation of Islam's tried and tested definitions of manhood or the quasi-militaristic tone of separate schools, street culture itself has already become one vast exercise in displaying its bruised and battered form the brand of distorted machismo that schools find so disruptive.

To be reminded almost innocently that our schools should give everyone who goes to them a decent education is to be reminded of a collective failure – a failure of will as well as of funds.

As society we no longer seem to believe in equality of opportunity. We do not think about this in terms of race – too many Benetton ads have funded our heads – but our gradual acceptance that there will always be a sector of society who are resolutely underclass, resolutely unlike us, who are amoral, promiscuous, criminal, subcultural. This definite racial implications. As the *Charles Murray* of this world (who insist on seeing a genetic link between race and intelligence) well know. "We owe all our children ... the best possible start in life," said Cheryl Gillan, the education minister. Fine words, but they will only get it if we believe that all of them actually deserve it. Do we?

THE CENTRAL FACTS FROM THE COURSES YOU ALWAYS MEANT TO TAKE, IN 25 LECTURES



WEEK 5 DAY 5

Truth

VISITING LECTURER: David Bodanis

A final examination will be set at the end of term.
All graduates will be awarded a diploma and the ten best
results will receive a year's subscription to the Independent



out the intention of defrauding the people. But students encouraged to ignore foundation texts would never have learned that, at least not at the Chicago economics department when Thatcher's intellectual forebears held sway there.

The sociology of intellectual herds applies in the art world too, whence Kuhn's popularity even beyond historians of science. His analysis runs even deeper here, for the ideas that have been sustained by art – especially when it was more central in society and more linked to politics and religion – meant that it couldn't be easily changed, for it would undercut those institutions depending on it.

Yet art, too, was felt at various times to be logically progressive, in, for example, the way foreshortening was considered an obviously improved technique by many Florentine painters, or the self-confidence of modern architects that Jonathan Glazier described. But notions of uni-directional progress aren't as easy to sustain in art as in science. The young Tracey Chapman had only a dozen or so chords at her command, but her concertos were still more popular than those of Pierre Boulez, despite his years of training.

The issue clearly isn't technique, but an art's content. At the most direct level it's a mat-

ter of being true in this course? I don't mean to suggest there's been a plot by the editors to make it all up. In any case, you can verify the facts directly: ballet dancers really do stand in a weird way, and the *Independence Day* soundtrack does have resonances of Elgar and Bruckner. The question rather is about the fields themselves: how much truth can they convey?

At first it seems obvious. The science items are true, for e really does equal m/c , and brain cells, if you examine them, do lead neuro-transmitters from their tips. It's the art items that are different: emotionally moving perhaps, but simply the products of one person's or one group's made-up views.

There's more to it than that though. Scientists until the late 19th century may have felt they were achieving complete truth, but after relativity and quantum mechanics so completely undercut their results, the more modest consensus now is simply that scientific results are just successive approximations to the truth. Recognising that there are neurotransmitters and other chemical floods in the brain is better than the 1920s view that it was all a bunch of telephone-like cabling, but there's no reason to think that view won't be superseded by even

more accurate visions in the future. Thomas Kuhn, and others, have written at length on how scientists largely chug along in groups that share basic assumptions (paradigms) – the famous herds of independent minds.

The proviso – and this is what makes science so powerful – is that the herd travel is not random, and by objective checks it works, getting to its targets effectively. Evidence that's contrary to herd beliefs has an irritating way of pushing itself up until it's acted upon. There are segments of the DNA strand that control the action of other parts of the strand, and when that was understood you could understand a lot more about the way cancer genes might switch on.

The reason science can self-correct is not so much that it carries a magical method, but because it has greedily carved out a domain where repeatable things happen. This is why it can get away with discarding its historical tail. Physicists don't need to read Newton, for all the nutritious bits have already been digested, in the summary equations a bright undergraduate will learn – a trick which the not-quite-sciences, such as economics, dealing with complex, rushing human subjects, would not be wise to copy.

Adam Smith wrote that merchants rarely get together with

obituaries/gazette

Emily Kngwarreye

Emily Kame Kngwarreye was one of the world's great painters. A tiny Australian aborigine in her eighties, she carried aboriginal art beyond the limited sphere of ethnographic curiosity into the broad stream of contemporary culture. Her work, instantly recognisable through its glorious sense of rhythm and light, has drawn admiring comparisons with Monet, Matisse and Jackson Pollock.

Emily Kngwarreye (pronounced Ung-wahr-ay) was born in about 1910 at Althakere (Soakage Bore) in a desert area - now known as Utopia - north-east of Alice Springs. She did not see a white man until she was nine, and the first sighting was of a policeman on a horse (another unknown phenomenon) leading an aboriginal prisoner to chains; she thought he was a devil-spirit.

With the establishment of cattle stations on much of her traditional tribal land, however, the young Emily got a job as a stockman. This in itself was exceptional, as most aboriginal women found employment in domestic service, and it shows something of her strength of will and independence of character.

She was educated too in the traditional tribal wisdom of her people, learning the stories and ceremonies that combine creation myths, topographical information, and gastronomic hints. She rose to an important position as a tribal elder and the keeper of several "song-cycles" such as the Emu and Yam Dreamings.

Although aboriginal ceremonial practices have always involved elaborate body-painting and the marking out of sand-pictures on the ground, art as we think of it did not touch the aborigines of the Western Desert until the 1970s. At Utopia it began in 1977 with a batik-making programme.

Jenny Green, who was working at Utopia as a linguist, encouraged the local women's group to transfer some of their traditional body-marking and ceremonial motifs on to silk. Emily, although in her late six-



Emily: a rare feeling for colour and a bold sense of composition

ties, took to this new activity with dedicated passion.

In the Australian summer of 1988-89 the women's group, under a new art-adviser, Rodney Gooch, experimented with painting in acrylics on canvas. Emily responded enthusiastically to the greater freedom of this new medium. Besides the claimed to have always disliked the fumes of the batik-wax.

From then on, right up to the week of her death, she painted with extraordinary vigour and invention - at Soakage Bore, at the neighbouring cattle-station, Delmore Downs (where she was befriended and supported by Don and Janet Holt) and in Alice Springs. Her subjects are the flora and fauna of her country, their life-cycles and mythical meanings.

From the start Emily's paintings were distinct and recognisable, marked by a rare feel for colour and a bold sense of composition. Her painting style, however,

worked sitting on the ground, with her canvas held close to her body, while she dabbed on the paint with an economic intensity. She worked from the outside inward, turning the canvas gradually, and changing her brush hand to facilitate the task.

Although she spoke no English, her sense of fun, as well as her unforced dignity, was readily communicated.

Her exceptional talent was recognised from the first. Australian public galleries and private collectors from around the world were quick to acquire her works. She had successful solo shows in Sydney, Melbourne, Adelaide, Brisbane, Canberra and London.

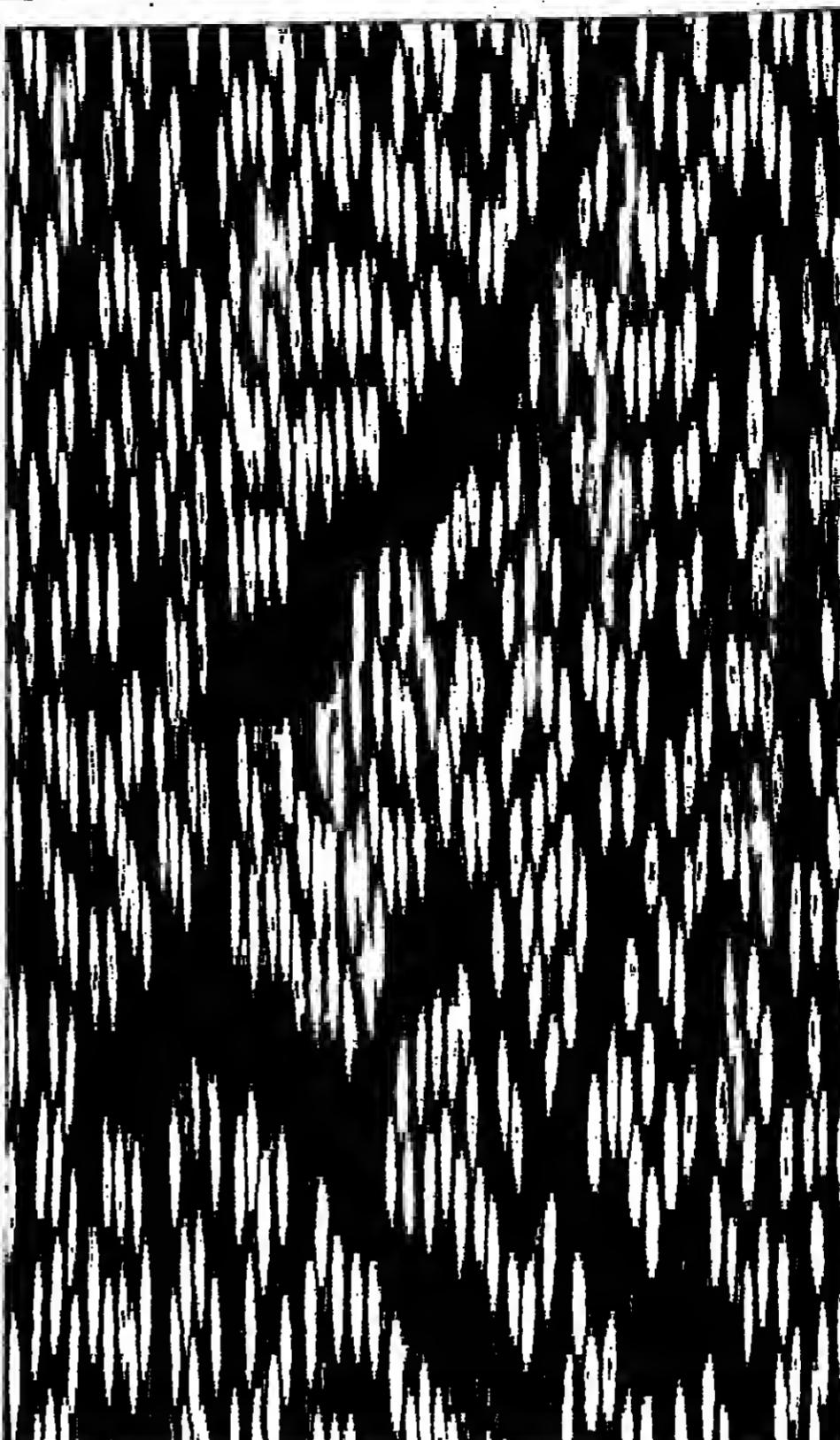
In 1992 she received an Australian Artist's Creative Fellowship worth A\$110,000 (around £55,000). In 1995 she was accorded the rare accolade of a solo show at Parliament House, Canberra. And earlier this year she was chosen as one of three aboriginal women artists to represent Australia at the 1997 Venice Biennale.

Her great success brought pressures. There was a constant - sometimes importunate - demand for more and more work both from art-dealers and from her own extended family. Although she had no children of her own she was responsible for as many as 80 kinspeople, amongst whom she happily divided her money according to traditional practice. (It is estimated that she earned as much as A\$500,000 a year from her painting.)

Despite her wealth she continued to live the traditional aboriginal life, gathering bush-tucker, and sleeping under the stars in her bough-shelter at Soakage Bore. She was part of the country she painted. The only painting by Emily currently on public view in Britain is at Queen's Hall Art Centre, Hexham, until 28 September.

Rebecca Hossack

Emily Kame Kngwarreye, artist; born Soakage Bore, Australia c1910; died Alice Springs 2 September 1996.



Yam Dreaming, acrylic on canvas, 1991. Emily only took up painting on canvas in her late seventies

Gordon Stein

Gordon Stein was a leading activist in the English-speaking free-thought movement.

He was born in New York into a middle-class Jewish family, and educated as a scientist. He took degrees in Psychology and Zoology, and a doctorate in Physiology, and later took masters degrees in Management and Library Science. He was proud of his academic background, always signing himself and insisting on being addressed as Gordon Stein PhD.

His family were involved with the Ethical movement, the semi-religious humanist organisation which started in 1876, and he became a keen student and supporter of the broader free-thought movement. For many years he worked for technical publishers and reference libraries, but he was eventually able to earn a living in the movement. He was associated with the American Rationalist Association and the editor of its paper, the *American Rationalist*, for 20 years.

He later helped to found the best paper in the American free-thought movement, *Free Inquiry*, and was a senior editor for 15 years. He contributed hundreds of articles and reviews to it and other magazines. He also lectured and debated widely, especially to student audiences. He was a consultant to the Committee for the Scientific Investigation of Claims of the Paranormal, and also a member of several humanist organisations in Britain.

His main activity, however, was the acquisition and production of books on free-thought and the paranormal. He built up an expert knowledge about and an extensive collection of publications in both areas, and became a considerable scholar in a movement which contains many considerable scholars.

His own work began with bibliography, and he compiled an annotated guide to the great American free-thinker Robert G. Ingersoll (1869), then (with Marshall G. Brown) *Freethought in the United States* (1978), *Freethought in the United Kingdom and the Commonwealth* (1981), and finally *God; Pro and Con* (1990). He went on to anthologies, and compiled *An Anthology of Atheism and Rationalism* (1980) and *A Second Anthology of Atheism and Rationalism* (1987), both concentrating on old British and American texts.

He turned to encyclopedias, and edited *The Encyclopedia of Unbelief* (1985), *The Encyclopedia of Hoxes* (1993), and *The Encyclopedia of the Paranormal* (1996), all detailed reference guides to their fields. He also wrote *The Sorceror of Kings* (1993) on the case of the psychic Daniel Dunglas Home and the scientist William Crookes.

This impressive programme was marked by formidable ambition, but it was marred by a frequent lack of attention which led to an unfortunate number of errors and omissions as well as other eccentricities and made these remarkable books less valuable than they should have been. In 1993 he became the founding Director of two libraries at the new Center for Inquiry associated with the Council for Democratic and Secular Humanism at Amherst, New York, ending his career by laying the foundation of what is planned to be the largest collection of free-thought and sceptical literature in the world.

Stein was an unusual personality among Americans and humanists, being rather introverted and taciturn, but he was a loyal colleague and a stimulating if abrasive conversationalist. He was a severe critic of work by other people, yet sensitive to criticism by others. He suffered definitely from cancer for some time, and worked as conscientiously as ever almost to the end. He was remembered at a humanist ceremony at the Center for Inquiry, and will be missed as a key figure in a growing movement.

Nicolas Walter

Gordon Stein, free-thinker; born New York 30 April 1941; married Barbara Laika (one daughter; marriage dissolved); Eve Triff (marriage dissolved); died Buffalo, New York 27 August 1996.

Roy Smith



Smith: 'Why not?'

Roy Smith was a dynamic, innovative and visionary contributor to the worlds of librarianship and public service - one of the most significant librarians of his day. He had a rare blend of total honesty in argument and action, great courage and a perception combined with political shrewdness that, despite formidable opposition from librarians and politicians, helped his vision take a practical form.

Smith used to say that he looked to street markets and department stores for his inspiration. At the London Borough of Sutton, where he served for 23 years, he designed and built a new, open and welcoming Central Library which was a marketplace of ideas, imagination and stimulation.

His library service incorporated arts "events" (some 300 a year), the highlight of which was the Croydon Air Pageant on the old Croydon Airport (located in Sutton) featuring aerial displays of old Gipsy and

Tiger Moths and the simulation of the start of Amy Johnson's flight to Australia. When asked "How does a library get involved in running an airshow?" Smith replied, "Why not?"

Under his leadership the library became known and admired not only in Britain, but throughout the world. Sutton was the first port of call for many a foreign visiting librarian, arts officer and politician.

Smith was an "East-ender", born in Dagenham and evacuated during the Second World War to Oxford. In 1944 after a brief spell as a junior in the Oxford City Council's Treasurer's Department he joined the Navy, where he met his future wife, Joy. In 1948 he went back to Dagenham to begin his library career. The librarian J.G. O'Leary, a colourful, flamboyant character from whom Smith developed two beliefs to guide him throughout the years. One was that public libraries and the arts were integral and the other that librarians had to

much more positive in marketing their services to the widest possible range of users.

After spells of service at Holborn and Finsbury libraries Smith became Deputy Borough Librarian and Arts Officer of the newly formed London Borough of Havering.

Almost at once the place started to buzz with excitement with a flourishing arts scene and a book fund the envy of all.

He was able more than many of his colleagues to foresee the financial reductions that were in the offing and to this end he developed his marketing philosophy even further with what was the largest income-

generating policy in the country. A mass of publications emerged produced by his staff and himself, aided by exhibitions ranging from bathroom fittings to wholesale gardening demonstrations. There were always art shows in evidence.

From all this activity Smith acquired a reputation for being over-concerned with income-generation to the detriment of the main core of the service. This was definitely not so - there was no keener advocate of the free, effective, accessible and available public library service.

Smith served on the Library and Information Services Council and on Library Association working parties dealing with the arts and marketing, as well as a brief spell on the Library Association Council. But it is fair to say that the gradual process of committed decision-making was over his strong point or style.

At professional meetings he could unintentionally offend with apparent arrogance and self-opinionation. He was passionately concerned with the way public libraries were going and hated hypocrisy, small-mindedness and the fudging of issues. He had other qualities perhaps not so evident to those that did not know him well. He was the most generous of men and, although denying it, sensitive, caring and most loyal to his staff.

When Smith retired in 1991 he brought the same gusto to a newly acquired allotment, waxing lyrical about his asparagus and onions. He also developed an interest in horse racing, planning to visit every racecourse in Britain. He was able to indulge a lifelong interest in music, from Schubert to Fats Waller, and he and his wife were frequent visitors to the Aldeburgh and Bath festivals.

On his retirement, his colleagues in the library and booktrade world received a letter from Roy Smith asking that, in lieu of any farewell gift, they might have in mind to make a

contribution to a fund for the purpose of an annual award. This was to be called "The Public Library Entrepreneur of the Year Award". This, the PLEYA award, now of £1,000 and sponsored by Geac Computers and with Library Resources assistance, is presented annually to the individual who has come up with the best entrepreneurial idea and has put it into practice. The PLEYA Award is now firmly established and has both recognised and encouraged innovation in public library practice.

Ron Surridge
and Tom Featherstone

Roy Peter Smith, librarian; born London 24 February 1928; Director of Libraries and Arts, London Borough of Sutton 1968-88; Director of Leisure Services 1987-91; OBE 1987; Library Association Robins Award for Library Innovations 1981; married 1951 Joy Wilson (two daughters); died Hope Cove, Devon 23 August 1996.



Richard Clement Charles Thomas, rugby player, journalist and businessman; born Cardiff 28 January 1929; married 1954 Ann Barber 1954 (three sons, one daughter); 1980 Joyce Rowley; died Swansea 5 September 1996.

Robert Cole

Clem Thomas

At the time he was described as a hardworking, fast and intelligent wing-forward". He never lost those qualities in his senior career, yet added a steady, uncompromising edge to his play.

He won three more Schoolboy caps in 1946 and 1947, never ending on the losing side, before going up to Cambridge. He won a blue in their 1949 defeat by Oxford, yet a year earlier had helped the students rob Cardiff of its 18-month ground record with a magnificent triumph at the Arms Park.

He first played for Wales in the final game of the 1945 Five Nations Championship at the Arms Park against New Zealand. He had been in the Swansea side that had held the All Blacks to a 6-6 draw a week earlier, but played a major role in helping Wales to go one better on 19

December 1953. The game was locked at 8-8 with five minutes to play when Thomas, who had earlier done duty as an emergency wing while Gareth Griffiths was having his dislocated shoulder replaced, snatched up the ball on the All Blacks' 22 on the south-stand side.

He looked across the field to the wide open spaces and let fly with the most famous cross-kick in post-war rugby. Ken Jones, Wales' Olympic sprinter on the wing, raced in to gather the bouncing ball, swerved past the New Zealand full-back, Roo Jarden and scored at the posts.

Wales won the game 13-8 and Thomas joined the ranks of those Welsh immortals who have played on a winning side against New Zealand - Wales stumped to their third defeat of

has not won against them since. For Swansea, he played in the sides that fell to narrow defeats against the 1951 Springboks and 1957 Wallabies, but he led the Welsh team to a 9-3 triumph over Australia in 1958.

The determination of the man was best epitomised by his refusal to return from the British Lions tour of South Africa in 1955 after having his appendix removed. Although he missed the first two tests, he went on to play a vital role in the 3rd and 4th tests, helping the Lions share the series, including the 9-6 win in Pretoria.

His 26th and final cap came against France in 1959 - like his debut, a defeat in Paris. No sooner had he hung up his boots than he picked up the pen and begun a career in journalism.

A wholesale butcher by trade, he also worked as the *Observer's* chief rugby writer for almost 35 years. Two years ago he stepped across the broadsheets to write for the *Independent on Sunday*. He was twice rewarded in the annual Whitbread/Rugby World Honours for his services to the British Lions tour of South Africa in 1955 after having his appendix removed. Although he missed the first two tests, he went on to play a vital role in the 3rd and 4th tests, helping the Lions share the series, including the 9-6 win in Pretoria.

He was twice rewarded in the annual Whitbread/Rugby World Honours for his services to the British Lions tour of South Africa in 1955 after having his appendix removed. Although he missed the first two tests, he went on to play a vital role in the 3rd and 4th tests, helping the Lions share the series, including the 9-6 win in Pretoria.

Richard Clement Charles Thomas, rugby player, journalist and businessman; born Cardiff 28 January 1929; married 1954 Ann Barber 1954 (three sons, one daughter); 1980 Joyce Rowley; died Swansea 5 September 1996.

Robert Cole

announcements for Gazette Births, Marriages & Deaths (Births, Adoptions, Marriages, Deaths, Memorial services, Weddings, anniversaries, In Memoriam) should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E1 4LL, telephone 0171-335 2610 or faxed to 0171-335 2610, email to obituaries@independent.co.uk or charged at 65p a line (VAT extra).

BIRTHS
EGGLETON: On 29 August 1996, to Dennis and Laura Rose.
DEATHS
CORNWELL: On 4 September, Marjorie, wife of Brian, beloved mother of Robin, George, Joelyna, Dominic and Benedicta, loving grandmother to Abigail, Polly, Susie, Ella, Edward, Hope, Grace, Harry, Theo, Benjamin, Alice, Greta and Charlie. Her love, her life, nor shall a mother's fate take from me what an earlier hour once gave." She is much loved.
WALTER: On Thursday 5 September 1996 at Chislehurst, Stephen John aged 43 years, leaving a widow and two children. Service and the late Mass at St Michael's Church, Regent's Park, on Friday 13 September at 11.30 am. Interment at St Mary's RC Church, Crown Lane, Chislehurst, Kent. Donations to South Bromley Hospicecare, Orpington Hospital, Orpington, Kent BR6 9UJ, or Gate House, 13 White Road, Oxford OX1 4PA.
ANNOUNCEMENTS FOR GAZETTE Births, Marriages & Deaths (Births, Adoptions, Marriages, Deaths, Memorial services, Weddings, anniversaries, In Memoriam) should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E1 4LL, telephone 0171-335 2610 or faxed to 0171-335 2610, email to obituaries@independent.co.uk or charged at 65p a line (VAT extra).

Births, Marriages & Deaths

BIRTHS
The Right Rev John Bickerton, former Bishop of Bath and Wells, 75; Mr Brian Booth, Rector and Chief Executive, University of Central Lancashire, 54; Mr Simon Burns MP, a Lord Commissioner of the Treasury, 44; Mr Sherban Cantacuzino, former Secretary, Royal Fine Art Commission, 68; Sir Dermot Cosgrave, former Minister, Minister for Defence, 66; Sir Andrew High Smith, chairman, Holland & Holland, 65; Sir John Johnson, former diplomat, 66; Mr Roger Knight, Secretary, MCC, 50; Mr Roger Law, proprietor, 55; Mr George Mann, cricketer and former chairman, TCCB, 79; Miss Monica Manson, ballerina, 55; Lord O'Hagan, former MEP, 51; Sir Peter Appleton, physicist, 1892; Billy Rose (William Samuel Rosenberg), producer and lyricist, 1892; King Peter of Yugoslavia, 1923; Desiré Porfirio Teles (Geraldo), painter, 1559; Suleymen I (the Magnificent); the "Lawyer"; Sultan of Turkey, 1566; Jean-Baptiste Colbert, statesman, 1663; Carlo Cignani, painter, 1719; Edmund Gibson, Bishop of Lincoln and author, 1748; George Alexander Stevens, writer and humorist, 1784; Sir John Archer, chemist, conservationist and art critic, 1896; Sir James Guthrie, painter, 1896; Sir Horatio Gilpin, geologist, 1800; Sir Henry Walford Davies, organist and composer, 1869; Montagu Collet Norman, banker, 1871; John James Rickard Macleod, one of the discoverers of insulin, 1876; Leopold Hamilton Myers, novelist, 1881; Joseph Patrick Kennedy, financier and diplomat, 1888; Maxfield Parrish, painter, 1870; Richard Porte, biochemist, 1965. On this day: Richard J defeated the Saracens at the Battle of Arsuf, 1191; Today is the Feast Day of St Cagnolus and Chuonodus, Saints Donat

Financial view: Fund shocks add to shift in risks	23
Market report: Speculators hooked on Zeneca	22
Investment: Arjo suffers from pulp fiction	20

CITY & BUSINESS EDITOR: JEREMY WARNER

Gordon Stein

Computer crash: Shares in Italian giant suspended as former top executive claims extent of company's losses were disguised

London funds hit as Olivetti teeters

MICHAEL HARRISON
London and ANNE HANLEY
Rome

The Italian computer giant Olivetti was teetering on the brink of disaster last night, threatening to leave a group of big London shareholders facing huge losses, after a former top executive resigned, sensationalising the company's losses.

The extraordinary claim by Renzo Francesconi, who quit as chief operating officer on Wednesday night after just six weeks in the job, forced Italian stock market regulators to suspend Olivetti shares amid chaotic scenes in the Milan bourse.

Shares in the two holding companies of Carlo De Benedetti, Olivetti's biggest shareholder and until Tuesday night its chairman, also went into freefall as fears gripped the market that the Italian entrepreneur's entire business empire was about to crumble.

Olivetti's plight could prove most serious for a group of he

about 10 big London-based investment managers who emerged collectively as the company's biggest shareholders following a £913m rescue rights issue last December. Between 30 per cent and 40 per cent of Olivetti shares are now estimated to be held in London. ING Barings Asset Management is sitting on a near 6 per cent stake alone, making it Olivetti's biggest shareholder after Mr De Benedetti.

The drama began on Tuesday when Mr De Benedetti resigned after the company announced a £400m loss for the first six months. His replacement is Antonio Tesone. But it escalated in spectacular fashion yesterday when Mr Francesconi quit, alleging that the losses were far worse than stated.

In a letter published in Italian newspapers he said he was resigning because "he did not agree with the presentation of the half-year results approved by the board". He added that "the situation is very serious and for Olivetti there is the prospect of a very difficult future".

Mr Francesconi told journalists after he resigned that he



Changing places: (from left) The founder Carlo De Benedetti, Renzo Francesconi, former chief operating officer, and the new chairman Antonio Tesone

Photographs: AFP/AP

couldn't accept the half-yearly figures because "numbers and cash flow are not negotiable". Olivetti's chief executive, Francesco Cao, immediately issued a statement denouncing Mr Francesconi's claims as "totally unfounded" and warned it might take legal action.

But the Consob, the Italian

stock market watchdog, suspended Olivetti's shares and hauled in Mr Francesconi and the directors as it launched an inquiry into the claims.

Mr Cao said Francesconi's statement "was clearly the result of stress of the thought of the great task which lies before us".

But Mr Francesconi was in cheerful mood as he left the Rome offices of Consob after a 90-minute grilling yesterday afternoon.

"Do I look stressed to you?" he asked waiting journalists, before disappearing into the Rome traffic on his scooter. Meanwhile it emerged last

night that Olivetti's influential London-based shareholders were instrumental in Mr De Benedetti's departure. The group held a meeting in London last week, chaired by Nomura Asset Management, at which it discussed Olivetti's deteriorating situation since the rights issue.

A spokesman for ING Barings Asset Management said that while it had not expressly asked for Mr De Benedetti's resignation, he and Olivetti's other directors were made aware of their unhappiness.

"Our position is fairly clear. Since the rights issue the company has not been in reasonable

contact with its shareholders."

Other fund managers understood to have taken up shares in the offer include PDMF, Mercury Asset Management, Invesco and HSBC Asset Management. The lead manager on the rights issue was US investment bank Lehman Brothers.

Comment, page 21

Luxembourg link in Morgan funds fraud

JILL TREANOR
Banking Correspondent

Investigators believe that the fraud at the heart of the Morgan Grenfell unit trust scandal centred on a number of front companies which Peter Young, the fund manager suspended on Monday, used to buy up legitimate investments that went wrong.

It emerged yesterday that at least four unlisted Scandinavian investments of the funds are not in fact registered in Norway or Sweden, as Morgan had claimed, but instead are believed to be based in Luxembourg.

A search with the Norwegian equivalent of Britain's Companies House showed no record of Horten Technology or Waferprod Holdings. In Sweden Catherineholm Holdings and Celtek Holdings similarly produced no records. Investigators believe that Luxembourg, a secret haven for many front companies, was the real base of the four firms.

The further evidence of the massive deception behind Morgan Grenfell Asset Management's losses of at least £180m came as Stewart Armer, a second fund manager at Morgan

Grenfell was suspended for breaching the company's rules on personal trading.

He is believed to be a bit player in the affair, and the irregularities were uncovered as investigators dug deeper into Morgan Grenfell's management of its funds.

Mr Armer, thought to be in his early 30s and an Oxford University graduate, was a bit player in the emerging story of the tangled web of companies. He was trading on his account,

permitted by Morgan Grenfell only if he used internal brokers, which he had done.

At the same time the Serious Fraud Office is believed to be preparing to launch a criminal investigation of the Morgan Grenfell funds. A spokesman confirmed that Imro, the fund management regulator, had been passing it information on the Morgan case.

Before George Staple, the SFO's head director, will open a formal investigation he needs

hard evidence which shows suspicion of fraudulent activity, which it has done.

Deutsche Morgan Grenfell, the investment banking arm of German banking giant Deutsche Bank has already taken court action to freeze Mr Young's assets, as evidence of deliberate and wide-spread fraud emerged over the last few days. Yesterday investors withdrew £12m from the £14m funds, well short of the £180m cash Deutsche has

pumped in, but financial advisers believe withdrawals could soar as high as 40 per cent today.

Many of the activities of Mr Young are interwoven with an Oslo-based broker called Fibia Nordic Securities, which sold unlisted securities to the three suspended funds.

It was probed by the Securities and Futures Authority as long ago as April when questions arose over a £70m private placement for oil extraction company Solv-Ex. The SFA, possibly

tipped off by the US Federal Bureau of Investigation, uncovered evidence of relevance to sister regulator Imro, which in turn alerted Morgan Grenfell Asset Management.

Set up in 1994 in London by a number of Scandinavian equities specialists who left well known firms such as Alfred Berg, Enskilda, Goldman Sachs and Hougaard, Fibia Nordic's roots lie in a listed company in Norway.

However, 90 per cent of its ownership is from its partners in its UK and Swedish offices while its Norwegian and US operations are wholly owned by the Norwegian listed company.

A spokesman for ING Barings Asset Management said that while it had not expressly asked for Mr De Benedetti's resignation, he and Olivetti's other directors were made aware of their unhappiness.

"Our position is fairly clear. Since the rights issue the company has not been in reasonable

contact with its shareholders."

Other fund managers understood to have taken up shares in the offer include PDMF, Mercury Asset Management, Invesco and HSBC Asset Management. The lead manager on the rights issue was US investment bank Lehman Brothers.

Comment, page 21

Imro widens net to other unit trust managers

Imro, the fund managers' regulator, is investigating several other unit trust companies for activities allegedly similar to those that have engulfed Morgan Grenfell, writes Nic Cicuti.

Among the issues being examined by Imro are accounting and record-keeping problems similar to those which led to a £115,000 fine against Save & Prosper, a Fleming subsidiary only last week.

Other potentially more serious questions relate to holdings in individual unit trusts

which breach the 10 per cent ceiling for unitised securities, even where some are said to be about to obtain a listing.

One case under investigation concerns an income unit trust whose managers are believed to have used a quarter of the fund to purchase shares in one company's stock just before a dividend was paid. The shares were sold at a substantial loss after the dividend payout.

Several of the unit trust companies whose funds are under investigation are briefing lawyers to defend them in anticipa-

tion of disciplinary action over the coming months.

Phillip Thorpe, chairman of Imro, said: "The question of PEP's one that has been with us for a while. It appears that many firms have engaged in this business without taking care of their back office arrangements. I would classify this more as a technical offence. Fortunately, it is coming to an end."

While Mr Thorpe could not comment on specific investigations taking place at Imro, he said the regulator was looking at about 50 matters, "some

more serious than others". He said that in the case of Morgan Grenfell, Imro's "highest priority" lay in ensuring that investors were kept informed and that they did not lose out from the fall-out surrounding the three European funds, in which trading resumed yesterday.

"There may have been a deficiency in terms of the information sent out to investors but this is being remedied."

He said Imro would expect the company to have plans to deal with panic selling by many of the funds' 80,000 investors.

bility tipped off by the US Federal Bureau of Investigation, uncovered evidence of relevance to sister regulator Imro, which in turn alerted Morgan Grenfell Asset Management.

Set up in 1994 in London by a number of Scandinavian equities specialists who left well known firms such as Alfred Berg, Enskilda, Goldman Sachs and Hougaard, Fibia Nordic's roots lie in a listed company in Norway.

However, 90 per cent of its ownership is from its partners in its UK and Swedish offices while its Norwegian and US operations are wholly owned by the Norwegian listed company.

A spokesman for ING Barings Asset Management said that while it had not expressly asked for Mr De Benedetti's resignation, he and Olivetti's other directors were made aware of their unhappiness.

"Our position is fairly clear. Since the rights issue the company has not been in reasonable

contact with its shareholders."

Other fund managers understood to have taken up shares in the offer include PDMF, Mercury Asset Management, Invesco and HSBC Asset Management. The lead manager on the rights issue was US investment bank Lehman Brothers.

Comment, page 21

Lonrho hotel float on ice as buyers nibble

PATRICK TOOHER

Lonrho yesterday put the planned £700m flotation of its Metropole and Princess hotel chains on hold after the conglomerate said it had received approaches from "a number of parties" interested in acquiring all or part of the businesses.

The announcement, the day before Lonrho was due to publish a prospectus detailing an international share offer, prompted analysts to draw up a list of potential bidders for the hotels.

Names in the frame included specialist resort operators in the US such as Renaissance, which

might be interested in the luxury Princess hotels, while the UK-based Metropole could attract the likes of casino group Stakls or Bass, operator of the Holiday Inn.

Companies that might be interested in acquiring the whole operation include Millennium & Copthorne, whose own portfolio includes hotels in both Britain and the US, as well as the US-based chains Marriott, ITT Sheraton and Hilton.

But Sir Rocco Forte, who has been linked with the luxury Princess hotels in the US, ruled out an approach. "We are not interested in any parts of the Lonrho business," said a spokesman.

"We are a small, start-up team based in London with no plans to emigrate to the United States."

A Lonrho spokesman declined to identify the bidders but said both British and overseas parties had expressed interest in the hotels, with some looking at the entire group and others interested in parts of it. "The bids were definite enough for Dieter Bock [Lonrho's chief executive] to say we ought to evaluate them before committing to the sale of the entire group by flotation," he said.

A decision on the future of the hotels is expected to be made by the end of the month.

Analysts reckoned a trade sale of the Princess and Metropole chains on冰 was unlikely. They believe the most probable outcome would see the Princess chain sold, with Metropole floated as a separate entity.

Renaissance, operator of the Renaissance, New World and Ramada International hotels, is "standing at a very high multiple in the US", said Greg Feely, leisure analyst at Kleinwort Benson. "That's a good time to do a rights issue."

Some analysts said a sale of the hotels would have to carry a premium of up to £150m to the estimated £700m market valuation.



Book: Ordered the flotation be put on hold

STOCK MARKETS						
FTSE 100	Dow Jones	Nikkei				
3897.20	+14.50	+0.4	3919.70	3632.30	4.03	
4406.70	+0.70	-0.1	4568.50	4015.30	3.44	
1945.20	+5.80	+0.3	1980.50	1816.60	3.90	
2187.00	+2.25	+0.1	2244.35	1954.05	3.05	
1922.55	+5.44	+0.3	1936.24	1791.95	3.84	
5636.55	-20.35	-0.4	5778.00	5032.94	2.25	
New York	20379.82	+177.95	+0.9	22665.80	19734.70	0.787
TOKYO	1040.51	-36.44	-0.3	11594.99	10204.87	3.51t
Hong Kong	2529.54	-2.85	-0.1	2583.40	2253.35	1.82t
Frankfurt						

Source: FT Information

INTEREST RATES

Short sterling

UK medium gilt

US long bond

Yester Day Change % Change

1.5579 +0.24c 1.5514

5.34 0.25 6.95

0.5 0.72 3.02

3.06 3.31 0.37

Yester Day Change % Change

5.69 0.00 7.90

5.25 0.25 6.95

2.91 -

6.62 7.13 -

Yester Day Change % Change

5.69 0.00 7.90

5.25 0.25 6.95

2.91 -

business

Arjo Wiggins suffers pulp friction

THE INVESTMENT COLUMN

EDITED BY MAGNUS GRIMOND

Profits at nearly all large paper companies have crumpled this year as customers destocked in anticipation of lower prices, which duly arrived, shredding margins in the process. Invariably the main culprit cited is pulp, the basic raw material for paper-makers, where prices have halved to \$500 a tonne in just six months.

As one the world's biggest net buyers of pulp, such a development ought to have benefitted Arjo Wiggins Appleton, but life is never that simple at the troubled Anglo-Freco paper group. When pulp prices are rising – as they did throughout last year – Arjo finds it hard to pass on the higher costs fast enough. When they collapse – as they did in the first half of 1996 – demand for its products follows.

Cob Stenham, Arjo's chairman, describes the last 12 months as the worst since the group floated six years ago. European manufacturing, which takes in carbonless, thermal, coated, fine and specialty papers, lost £6.2m in the first half. But yesterday's 76 per cent setback in group profits, flagged a string of recent profit warnings, cannot be solely blamed on market conditions.

Arjo is horribly exposed to the mature carbonless paper market, which has been clobbered by the rise of the laser printer and the growth in electronic systems, while thermal fax paper, another leading Arjo grade, is threatened by the shift to plain-paper copying. Small wonder that these two activities in Europe, which reported a "substantial" if unquantified loss in the period, are bearing the brunt of a £121m strategic review involving several mill closures and a 7 per cent headcount reduction.

It is too early to tell whether the cost-cutting, instituted by the previous chief executive Alain Soulas, is too little too late. In the meantime, Arjo can thank its lucky stars that Appleton, its US operation, continues to outperform the rest of the group, even if the half-year profit contribution from North America fell to £3.95 from £6.6m. Arjo's new chief executive, Philippe Beyler, is keen to integrate Appleton further into the group, a long-overdue move given the increasingly global nature of paper markets.

Arjo has also expanded into less cyclical paper merchandising, but it suffered a big strategic blow last year when it was outbid for coated paper producer SD Warren. Profits of about £130m this year would put the shares, down 5p at 181.5p, yesterday, on a forward p/e ratio of almost 20.

Although Arjo says the extended period of destocking is over and order books are better, it admits the eco-

omic outlook, especially in Europe, remains unexciting. The same can be said for the shares, unless the French food group Saint Louis puts its 40 per cent stake into play.

Vickers fires on three cylinders

Vickers has found it difficult to fire on all four cylinders at once of late. Just as it sorted out the recession-ravaged Rolls-Royce luxury cars arm, Vickers' medical equipment division ran into the squeeze that has hit spending on both sides of the Atlantic in the past few years.

Yesterday's half-year figures to June show that the group is still finding it difficult to keep all the plates in the air. Pre-tax profits rose 18 per cent to £31.8m in the period. But that hid a slightly disappointing result from the automotive division, which, encompassing Rolls-Royce and the Cosworth high-performance engine business, still remains overwhelmingly the biggest

part of the group. Vickers' chief executive, Sir Colin Chandler, who is to take over the chairman's role next year, describes 1996 as a year of consolidation and, to be fair, some of the dip in automotive profits from £14.8m to £13.5m should represent an investment for the future. Group capital expenditure is up a chunky 30 per cent and research and development spending ahead by 10 per cent in the first half, with much of it devoted to developing a replacement for the current "bread and butter" four-door Rolls and Bentley models.

Sales of these bottom-of-the-range models managed a handy 26 per cent rise in the latest period, but the margin suffered as fewer of the seriously wealthy ordered cars in the £250,000-plus bracket. Elsewhere, the picture is brighter. Management changes, new diagnostic products and rationalisation are starting to turn round the medical side, which saw its losses cut from £2.2m to £200,000 in the period.

But the growth story remains intact. Pre-tax profits stormed up another 20 per cent to £13.6m in the six months to June, on a similar rise in sales. In the core tobacco machinery business, profits 27 per cent ahead at £11.6m, owed much to Molins' early move to establish itself in the huge Chinese market in the 1980s. Its plant in Buckinghamshire has been running flat out to fill orders from the country won last year. Those have dropped back to more normal levels as competitors have caught up with Molins, but order books remain full well into next year.

The other area of caution is in the much smaller corrugated packing machinery operation, which has also been riding on the back of strong demand.

Order intake is slowing as this notoriously cyclical industry starts to turn down. Molins is taking action to secure the future of the business by combining its two US factories and expects the £2m cost taken in these figures to be paid back within 12 months.

While the group boasts strong market positions in cigarettes and boxes, its biggest hope for future growth lies in the fledgling packaging machinery division. Profits there cut from £1.8m to £800,000 in the half-year reflected hefty spending on developing new products.

The promise of this business is that it can piggyback on the existing manufacturing, sales and marketing infrastructure for the tobacco machinery operation.

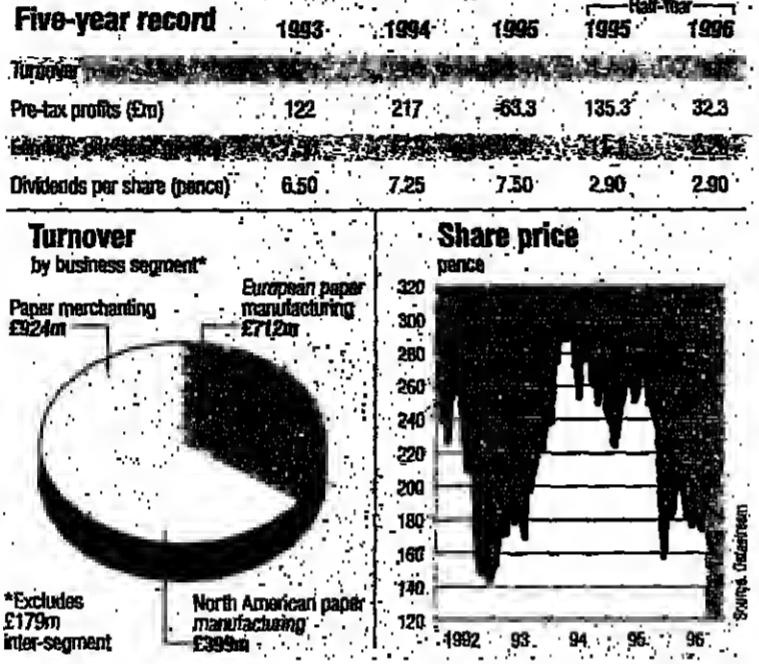
The shares may mark time, but, based on full-year profits of £34m, they remain a firm hold.

Arjo Wiggins Appleton: at a glance

	1993	1994	1995	1996	Half-Year
Turnover (£m)					
Pre-tax profits (£m)	122	217	63.3	135.3	32.3
Dividends per share (pence)	6.50	7.25	7.50	2.00	2.00
Turnover by business segment*					
Paper merchandising	£242m	£271m	£271m	£271m	£271m
European paper manufacturing	£27.2m	£27.2m	£27.2m	£27.2m	£27.2m
North American paper manufacturing	£298m	£300m	£300m	£300m	£300m

*Excludes £175m inter-segment

Market value: £1.49m, share price 181.5p



defence side up to 2000. Icing on the cake should be provided by potential tank orders from the Middle and Far East.

With minimal gearing, Vickers has plenty of firepower to build up its smaller divisions through acquisition. But, assuming profits of around £79m this year, the shares, down 1p at 260.5p, are high enough on a forward multiple of 17.

Molins packs a mighty punch

Molins, the cigarette making to packing machinery group, has been a sterling performer over the past few years: profits and share price have more than doubled since 1991. However, the shares have eased since reaching an all-time high of £10.37 in April and a cautious statement with the half-time figures set them down another 10p to 896.5p yesterday.

But the growth story remains intact. Pre-tax profits stormed up another 20 per cent to £13.6m in the six months to June, on a similar rise in sales. In

the core tobacco machinery business, profits 27 per cent ahead at £11.6m,

owed much to Molins' early move to establish itself in the huge Chinese market in the 1980s. Its plant in Buckinghamshire has been running flat out to fill orders from the country won last year. Those have dropped back to more

normal levels as competitors have caught up with Molins, but order books remain full well into next year.

The other area of caution is in the much smaller corrugated packing ma-

chinery operation, which has also been

riding on the back of strong demand.

Order intake is slowing as this notori-

ously cyclical industry starts to turn

down. Molins is taking action to se-

cure the future of the business by com-

bining its two US factories and ex-

pects the £2m cost taken in these fig-

ures to be paid back within 12 months.

While the group boasts strong mar-

ket positions in cigarettes and boxes,

its biggest hope for future growth lies

in the fledgling packaging machinery

division. Profits there cut from £1.8m

to £800,000 in the half-year reflected

hefty spending on developing new pro-

ducts. The promise of this business is

that it can piggyback on the existing

manufacturing, sales and marketing in-

frastructure for the tobacco machinery

operation.

The shares may mark time, but, based

on full-year profits of £34m, they re-

main a firm hold.

Granada sells off textile rentals business for £136m

MATHEW HORSMAN
Media Editor

Granada yesterday took to £350m the amount it has raised from disposals since its £3.9bn purchase of Forte earlier this year, announcing the sale of its textile rentals business, Spring Grove, to the Davis Services Group for £136.5m.

Taking together the sale of Forte's White Hart hotels, Granada's bowling centres, Budget Travel in Ireland and a 16 per cent interest in Independent Television News, Granada is about a sixth of the way toward selling off up to £2bn worth of assets in a bid to reduce the high debt it took on to buy Forte.

Charles Allen, chief executive, said the sale was part of a summer tidying-up exercise, but declined to say what other non-core assets, other than the previously announced motorway and hotels operations, had been put on the block.

It is understood, however, that Granada's small theme park holdings, including Camelot, and some nightclubs have also been earmarked for disposal.

A significant further step in the sell-off is likely to be taken by December, with the sale of 17 Exclusive Hotels for more than £1bn. Would-be buyers have now been invited into the deal rooms at Lazard Brothers to look at the financial information in detail.

Also to be sold, although out until early next year, are the Welcome Break motorway service station operations inherited from Forte, under terms reached with the Office of Fair Trading.

The sale is likely to be delayed because Granada is unwilling to pay a portion of the gains on the sale to Whitbread, to which Forte had agreed to sell the chain as part of its scorched-earth defence late last year.

The shares may mark time, but, based on full-year profits of £34m, they remain a firm hold.



Seller: Charles Allen has raised £350m from disposals

which included a promise to pay out a share of the gains if Welcome Break went to a third party, runs out 31 December.

A sale could come earlier, however, if Whitbread agrees to buy the chain and rip up the lock-out agreement.

Spring Grove was acquired just three and a half years ago, as part of Granada's purchase of Sutcliffe Services from P&O.

In the year to 30 September 1995 the company had pre-tax profits of £11.6m and net assets of about £53m.

Davis Services, the quoted textile rentals concern, specialises in laundry and linen rentals and was attracted by Spring Grove's greater strengths in workwear rentals.

The sale includes Spring Grove's Sunlight Service and HSS Hire Shops, the tool and equipment rentals division.

"This is an excellent fit for our business," a spokesman said yesterday.

Davis will pay for the acquisition through a proposed one-for-three rights issue at 215p per stock unit, to raise about £71.5m. By the end of the year, the company expects gearing to settle at about 65 per cent.

The City has approved of Granada's progress so far, although some analysts are beginning to suggest that the television arm could be a candidate for a separate listing in the future.

A Granada insider insisted last night: "It is our intention to continue to manage the assets we have."

"If circumstances change in the future, then of course it would be our fiduciary responsibility to consider the best interests of shareholders."

Digital TV boosts profits at Pace

MATHEW HORSMAN

Pace Technology, the fast-growing satellite receiving equipment manufacturer, is one of four or five companies on a shortlist to supply digital television set-top boxes for BSkyB's planned digital satellite service, it emerged yesterday.

The contract would give Pace an added boost in the digital television market – already responsible for more than half of the company's sales by value.

The news emerged as Pace announced pre-tax profits of £18.2m, up 442 per cent year on year, on the strength of its first foray into the manufacture of set-top boxes for digital television.

It is supplying big broadcasters in Australia, Italy, the Middle East, South Africa, Thailand, the Netherlands and Indonesia. Sales rose by 96 per cent to £196m, with margins staying relatively steady at just over 23 per cent.

Barry Rubery, joint chief executive, said the results were in line with expectations, "and reflect the step change in profits following the launch of our digital product last summer".

He added that Pace's business plan did not include any reliance on digital sales in the UK, and that the introduction of BSkyB's digital satellite service from 1997 would be in addition to expected sales from European and Third World markets.

The company is also in late-stage negotiations with several US cable companies about supplying a digital cable set-top box. This could be introduced in the UK if the cable industry elects to follow BSkyB into the digital market.

Pace is already working on two digital cable field trials in the UK, with two large operators, including Telewest, the market leader.

Mr Rubery said that the company's expansion would be based on finding the right "strategic partners" in different markets, to ensure that Pace incorporated the conditional access technology likely to win consumer favour.

A deal with General Instruments, a leading set-top box manufacturer, has been rumoured, although Mr Rubery declined to comment. A deal with BSkyB would boost Pace's digital roll-out world-wide.

First-half slide at Royal & Sun Alliance

NIC CICUTI

Royal & Sun Alliance, the newly merged UK composite insurer, yesterday reported a slide in first-half pre-tax profits, but added that it was on target to achieve full integration of the two companies by 1998.

The company said it expected to cut £175m in annual costs by then, which it would achieve by making up to 5,000 staff redundant, mostly in the UK.

Royal & Sun said pro forma interim operating profits were

£450m, down from £514m separately achieved by both companies at the same time last year. It blamed the dip in profits on its £94m rise in world-wide weather losses.

It added that it expected household and motor premiums to stabilise and even rise slightly by the end of this year, bringing to an end almost two years of steady falls in the cost of insurance.

However, commercial lines, based on individual pricing, remain a keenly contested area of the market.

Nick B

**Hills off
itals
£136m****COMMENT**

The recriminations will be long and bitter. The London sponsors to the rights issue, Lehman Brothers, certainly have questions to answer.

Italian lesson in the risks of foreign investment

Dropping investment clangers in Europe seems to have become all the rage among supposedly hard-nosed City professionals. Hard on the heels of Morgan Grenfell's magical mystery tour of the Norwegian fjords comes the astonishing news that London-based investment funds may hold as much as 40 per cent of Olivetti, the troubled Italian computer giant. Until the auditors pronounce, we won't know quite how bad things are at Carlo de Benedetti's flagship company, but judging by the storm clouds gathering over its Milan headquarters, they could hardly be worse.

Having survived the "tangentopoli" (the Italian bribe-for-contracts scandal) largely untouched, Mr de Benedetti now stands accused of one of the oldest business scams of all — cooking the books. Ten of Olivetti's largest London-based investors, including Barings Asset Management, last week wrote to the company complaining of a lack of information, direction or strategy. The result was Mr de Benedetti's resignation. For a brief moment the shares looked like celebrating but then the chief operating officer quit too, complaining that the £180m half-year loss was a sham.

At this point the saga took on aspects of high farce. "The man's mentally unbalanced," claimed other members of Olivetti's board. "Do I look like someone who's suffering from stress?" Renzo Francesconi said after a meeting with regulators yesterday before disappearing on his scooter into

the busy Rome traffic. Stressed or not, Mr Francesconi has made the allegation and the markets seem prepared to believe him. There can be no question of another bailout after the recent \$1bn rights issue — not by investors at any rate. There are still good bits left in Olivetti, notwithstanding its bombed-out personal computer business, but if things are as bad as Mr Francesconi paints them, shareholders are never going to see this value realised.

The recriminations will be long and bitter. A rash of litigation seems certain. The London sponsors to the rights issue, Lehman Brothers, certainly have questions to answer. As for Olivetti's hapless London investors, they plainly fall into a quite different category from that of Morgan Grenfell's Peter Young. They just made a bad investment. But the lesson is much the same. Investing in poorly regulated overseas markets about which Brits know little and because of low standards of disclosure are able to find out even less is hazardous.

Car makers have a solution on their plates

The annual August car sales hinge, a phenomenon driven largely by the desire of private motorists to ensure their driveway is the first in the street to boast the new registration letter, has long been a double-edged sword for the motor industry.

On the one hand it guarantees bumper sales which, with a following wind, will set the scene for a buoyant market through to Christmas. On the other, manufacturers have the pain and expense of having to build and stock a quarter of their annual production and then shift it in just 31 days.

This year the industry has borne the usual pain but the reward has not been forthcoming. Even though August sales were the second-highest on record they did not live up to dealers' expectations, despite massive promotional campaigns. That has provided more than enough ammunition for the industry to bang on the Government's door calling for a change.

The car makers are mainly to blame for their current predicament since it was they who suggested that the year identifier be changed from January to August after discovering that drivers were not keen on trudging through snow to buy a new motor. Nevertheless, the system is clearly a mess. Nobody likes the idea of changing number plates once a year in the middle of summer except the police who find it handy for catching villains. What most people at the scene of a crime remember is not the make of car but its colour and letter prefix.

The problem lies in what to replace it with. The Department of Transport is about to publish a consultative document listing a range of options. The one preferred by the industry is to move to quarterly changes in the letter identifier. The problem with this

is that the alphabet will be used up four times more quickly unless double lettering is introduced — perhaps one letter at the beginning to denote region and the other at the end to denote year.

That sounds like a recipe for an even bigger mess, serving neither to promote the catcher that comes with owning a new car nor the legitimate interests of the police. They may do a lot of things strangely in Italy but wouldn't it be better in follow the Italian example and attach the number plate, not to the car, but to the driver, who then carries it for life from car to car?

Bending the rules of the Maastricht game

Why is something that is perfectly obvious to the French so hard for many of the British to get their minds around?

France is going to have a little difficulty meeting the rules for joining the single currency laid down in the Maastricht Treaty. Its government deficit is too big. The forthcoming budget will therefore try to rein in spending. But, as a little extra insurance, the French government has arranged for an extra injection of funds.

The terms of the deal with France Télécom almost certainly do not meet the spirit of the Maastricht Treaty. In a company, it would be called creative accounting of the worst sort. But the EU Commission will

almost certainly give it the go-ahead. The French are consummate Brussels insiders; there can be little doubt that they will get the re-interpretation of the Maastricht rules they want. A way will also be found to accommodate Ireland, which looks as if it will miss at least one of the Maastricht criteria. It seems that provided you are committed, the rules don't much matter.

The British, by contrast, see rules as rules. Or at least, politicians and officials see them. The eminent industrialists who have complained that Euro-scepticism threatens the UK's competitive position have understood that the single currency is still under negotiation. The rules are still fluid for they have not yet been set. There is no need to take them or leave them.

The possibility that Target, the payment system for euros, will exclude London banks, illustrates the point. The Bank of England's negotiating position has been weakened by the French and German perception that Britain is not engaged in a serious dialogue about the form monetary union will take. So it will take a form unhelpful to the City.

Unless John Major does the inconceivable and backs his Euro-phile Chancellor, his government will have lost the chance to mould the single currency. After the election it will be too late to give EMU a British as opposed to a Gallic or Germanic shape. If eventually we are forced to join it, as seems all too possible, it will be like the common market — on someone else's terms.

High-street boom 'not a return to the late 1980s'

DIANE COYLE
Economics Editor

Spending on the high street last month was the most buoyant since November 1988, at the height of the Lawson boom, according to a survey published yesterday.

The Confederation of British Industry played down the parallels with the late 1980s, saying there was no need for the Chancellor to clamp down by raising interest rates.

Alastair Eperon, chairman of the CBI's distributive trades panel, said: "We are not seeing

the 1980s boom conditions here at all. Consumers are still being very careful and still shopping around."

Even so, a higher proportion of retailers reported price rises than at any time since May 1993, while employment rose at the fastest rate since 1987. Prices were higher across the board.

Mr Eperon said the price balance remained low by historical standards. "Evidence from retailers suggests that the reported pick-up in selling prices is from a low base and reflects earlier cost increases," he said.

Call to smooth out car sales

MICHAEL HARRISON

Motor industry leaders yesterday called for urgent changes to the car registration system after official figures confirmed that the new August P-prefix on number plates failed to produce the hoped-for surge in sales to half a million.

Figures from the Society of Motor Manufacturers and Traders showed that car sales last month rose by just 2.2 per cent on August 1995 to 479,407, largely due to lower-than-expected interest from private buyers. The figure compared with expectations that the August market would hit between 485,000 and 500,000. Ernie Thompson, the

SMMT's chief executive, responded to the disappointing figure by calling on the Government to change the current registrations system whereby the new year identifier is introduced every summer.

The Department of Transport is about to publish a consultative document setting out a range of options. The one favoured by the motor industry is to move to quarterly changes in the prefix to smooth out car sales through the year.

The call was backed by the director general of the Retail Motor Industry Federation, Christopher Macgowan, who forecast that unless the system was changed August would be accounting for 30 per cent of

annual sales by the end of the decade.

Mr Thompson said that a change in the registration system would reduce the industry's costs and allow customers greater freedom to choose when to buy.

August is traditionally the month when private buyers come out in force. Although they accounted for 57 per cent of sales last month — the same as in August the previous year — the retail market overall grew by less than 1 per cent compared with a 20 per cent rise in July.

Imports took just under 63 per cent of sales compared with 60.6 per cent last year. Ford held onto market leadership with 18.7 per cent.

IN BRIEF

• German GDP increased significantly in the second quarter, climbing 1.5 per cent after a 0.5 per cent decline in the first quarter. A big increase of 0.9 per cent in consumer spending and a recovery in construction from its winter slump explained the higher-than-expected growth. However, the picture of steady economic recovery was obscured by a surprise increase in unemployment. There was a pan-German rise of 14,000 in the number without jobs last month, leaving the unemployment rate unchanged at 10.2 per cent.

• Chrysalis, the music and film company, pulled the plug on its film production and distribution arm, citing difficulties in competing against US independents that are now part of giant, multinational companies. "If I thought it was going to work even in the medium term, I would have stuck with it," Michael Pilsworth, chief executive of Chrysalis Filmed Entertainment, said. He added that the company would keep its 49 per cent stake in Scala Productions, a leading UK distributor. The closure will have "no financial effect" on the company's current year results, he said.

• Smiths Industries, the last FTSE 100 company to be audited by a firm outside the accountancy profession's Big Six, plans to transfer the audit from Clark Whitehill to Price Waterhouse. Clark Whitehill, which will jointly audit the 1997 accounts with PW, stressed that it had prepared for the loss of Smiths and other large clients by focusing on smaller businesses.

• Cookson, the specialist metals to ceramics group, unveiled a £25m cost-cutting programme as it warned of a mixed outlook for the second half. The group said the streamlining plan would be implemented over the next few months, with the aim of generating a payback within two to three years. Profits were £69.2m in the half year to June, down from £81.2m before, hit by a £16.1m loss on disposals. The interim dividend rises 11 per cent to 3.9p.

• Frost Group, the UK's fourth-biggest forecourt operator, has seen average volumes slump by 40 per cent so far this year as it fights to retain margins in the face of the petrol price war. Pre-tax profits crashed by a third to £3.8m in the six months to June. The group claimed it would be the only profitable company in the market this year if nothing changed in the second half. The latest price increase appears to be holding, it added.

• Claremont Garments, the Marks & Spencer clothing supplier, is considering closing its plant in Glasgow, threatening up to 700 jobs. The company said it may switch production to its other plants in north-east England. Claremont is discussing the issue with the GMB union and has agreed to look at other possibilities.

• Leeds Group's shares crashed 31 per cent to 137.5p after warning that full-year pre-tax profits would be significantly below the £7.5m made in 1995, due to further deterioration in the fashion clothing sector. The problem has been exacerbated by increasing cheap imports and the depressed retail sector on the Continent.

• Cheltenham & Gloucester, part of Lloyds TSB, has shaved its standard variable mortgage rate from 6.9 to 6.85 per cent with effect from Monday for new borrowers and, probably, next month for existing customers. C&G has also withdrawn its discount mortgages.

BSE scare eats into profits at Hillsdown

NIGEL COPE

The BSE scare on beef knocked £3m off half-year profits at Hillsdown Holdings, the Typhoo tea and Chivers jam food group chaired by former defence secretary Sir John Nott. The scare resulted in cancelled orders and stock write-offs of £2m. Other parts of the business, such as meat canning, were also affected.

Greener: Not optimistic about an improvement

Hillsdown's poultry business, which include Buxted chickens, increased sales but they were insufficient to make up the shortfall.

New Hillsdown chief executive George Greener, who replaced David Newton in July, said the European beef market remained depressed and he was not optimistic about an improvement in the medium term.

He was speaking as Hillsdown announced pre-tax profits of £43.7m for the six months to

June. This compared with a £68m loss in the same period last year, which was caused by a goodwill write-off of £142m on the disposal of its stake in Maple Foods of Canada. Earnings per share fell as the result of acquisitions Hillsdown has conducted since January was not enough to make up for the loss of the Maple Leaf contribution. The Hobson foods business, which was acquired for £121m in January, has yet to make a contribution.

The company ruled out any large acquisitions, saying it would concentrate on integrating the five businesses acquired since the start of the year.

Chilled foods saw profits fall after a poor performance in Germany, where profits halved. The company blamed the weak German economy and pricing pressure from retailers.

The company declined to comment on whether it might sell its Fairview house-building division and its two furniture businesses in order to concentrate on food. Fairview, which builds starter homes, saw a 12 per cent increase in sales though profits fell by 10 per cent due to the higher cost of land. Hillsdown said it expected a better performance in the second half.

Commenting on the group's outlook for the rest of the year, Sir John said: "There is still a long way to go but, subject to the fourth quarter on which a great deal depends, we see no reason why the encouraging trend should not extend to the full year."

Grand Met clears out the pantry

NIGEL COPE

Grand Metropolitan has begun a clear-out of its lesser known European food brands in order to concentrate on market leaders such as Asda, Haagen-Dazs, Old El Paso and Green Giant.

The company sold its Erasco food business in Germany yesterday to the Campbell Soup company of the US for £140m. It has also hung the "for sale" sign over a raft of under-performing names which include Shippams pastries, Memory Lane cakes, Fleurs de Lys in the UK and Brasserie in France and Germany. These businesses are expected to fetch an additional £50m-£100m though some analysts say they could yield as much as £150m.

GrandMet Foods Europe will be renamed Pillsbury Europe from the beginning of October and its headquarters will be relocated from Paris to Glasgow. "Public borrowing" forecast for next year, even before any tax cuts, will still be at the level where national debt rises as a percentage of national income. Borrowing has to be kept on a steady downward path, not allowed to stop and then be corrected with a jolt later."

Separate figures showed a dramatic decline in the number of receiverships and administration orders last month, according to accountancy firm Deloitte & Touche. There were 122 orders during the month, 34 per cent down on July and 29 per cent below the level a year earlier. The biggest drop was in London and the South-east.



George Bull: Selling off under-performing names

of £600m. In the six months to March it made profits of £7m on sales of almost £400m.

Grand Met, whose chairman is George Bull, said it expected to sell most of the businesses along with the Pearle opticians division by the time of its full-year results in December. Pearle is forecast to raise around £130m-£140m.

Erasco, which is the market leader in canned and ready-made soups in Germany, made operating profits of £14m last year on sales of £150m. The food disposals will require a goodwill write-off of £220m.

Grand Met finance director Gerald Corbett said the businesses were being sold as they were lower-margin businesses that were not market leaders in their sectors. "We decided we should free up resources to focus on our major brands," he said.

The disposals would leave only Burger King as the one remaining candidate for sale. Though the company insists there are no plans to sell the business, there has been consistent speculation that a spin-off is likely. Grand Met shares rose 2.5p to 471.5p.

Mr Corbett said the group had already received several expressions of interest for the food businesses.

The funds raised are likely to be used to pay down Grand Met's £2.9bn debt pile though, it will also be able to concentrate marketing spending behind its major brands. Mr Corbett ruled out a significant acquisition.

The streamlining of the Grand Met portfolio met with approval in the City. John Spicer of SBC Warburg said: "It is not a big surprise but we are happy that they are doing it. It [the European food business] was really a conglomeration of small, national businesses. They haven't really gone anywhere for the last few years and it would have been difficult for them to expand."

The disposals would leave only Burger King as the one remaining candidate for sale. Though the company insists there are no plans to sell the business, there has been consistent speculation that a spin-off is likely. Grand Met shares rose 2.5p to 471.5p.

2 for 1 Comedy Tapes Offer

**THE INDEPENDENT**

Today is the final day of our 2 for 1 comedy tapes offer in conjunction with Laughing Stock. We are giving you the chance to buy up to 20 audio comedy cassettes on a 'two for the price of one' basis. Two double cassettes cost £8.99, two single cassettes £6.99, or choose one of each for just £7.99. All of the prices include postage and packing.

Our list includes some of the country's top comedians from Paul Merton, Eddie Izzard and Jo Brand, to timeless classics such as Tony Hancock and Peter Cook. So next time you're sitting in rush hour traffic, say goodbye to road rage and have a good laugh instead.

How to Apply

To obtain your two audio comedy cassettes for the price of one, simply collect three differently numbered tokens from the seven we have published in The Independent and the Independent on Sunday. Today we print the last token, Token 7, plus the final order form. Send your tokens, together with a completed order form and cheque, to the address shown. With your tokens you can order as many cassettes as you wish in multiples of two. Postage of tokens and order forms is not acceptable.

Please allow 28 days for delivery from the date of your order. No responsibility will be accepted for delays caused by industrial action within the postal service. Orders must be received by 30 September 1996. Cassettes are subject to availability. The offer is available in the UK and Republic of Ireland only. If you have any queries concerning receipt of

your order, please call our helpline on 0181 339 9922.

Please make cheques payable to 'Independent Comedy Offer' and send your order to Independent Comedy Offer, P.O. Box 3763, London SE23 2DO.

2 for 1 Comedy Tapes Offer**TOKEN 7**

TAKING STOCK

A sudden display of life at Finchchurch, the insurance broker, has awakened takeover hopes. The share rose 4.5p to 97.5p, the second day running a share which has been going steadily down. It still has attracted buyers, US insurance groups are said to be prowling around.

Finchchurch, which produced disappointing interim profits, prompting year-end estimates to be reduced to £45m. Last year it achieved £53m.

To its relief, the restaurant group held at 94.5p. A takeover is in the offing as it acquires Browns, which has a club in London's Covent Garden and runs a strict licensing here operation. It also thought to have interests. The deal will be finalised by October, probably priced at 105p, and two Browns directors will take over the running of the enlarged group.

As investigators search through a maze of detail to find out what happened at Morgan Grenfell Asset Management, the shell-shocked investment industry is coming to terms with the impact on its markets.

Some fund managers were predicting yesterday that sales of all forms of equity and bond investments targeted at the private investor would be bound to suffer a serious setback, notwithstanding Deutsche Morgan Grenfell's promise to use its deep pockets to back its erring subsidiary.

There have been plenty of plausible explanations of why investors should shun the scandal off as an aberration, in which the main sufferer is the German bank that owned the firm.

After all, Deutsche has shown that reputation matters and that investors will not be allowed to lose money as a result of malpractice, so the 90,000 affected by Morgan Grenfell's problems have no reason to panic.

Every fund manager in Britain is likely to be checking internal control systems this week to make sure nothing similar happens again. The regulatory rules will also be tightened, with much tougher checks on investment in unlisted securities.

The real significance of the Morgan Grenfell case and the Jardine Fleming scandal a mere four days earlier is nevertheless not the short-term damage to the reputations of the fund managers concerned – which is clearly enormous – but the fact that they come during a seismic shift in the investment industry.

A rapidly accelerating trend from -final salary company pensions to



FINANCIAL VIEW
PETER RODGERS

group money purchase schemes and personal pensions and tax-sheltered long-term savings such as Peps is creating a huge transfer of investment risk from employers to private investors.

Final salary schemes are those where employers promise to pay a pension as a fixed proportion of salary in the last one to three years of service.

If the pension fund cannot afford to keep the promise, the employer must make good the pension, and

Most people will soon be shouldering responsibility for their own financial futures

thus bears the investment risk if a pension fund does not perform well in the markets.

In money purchase schemes, the employer may put money into the pot, but the value of the pension at the end of a working life is entirely dependent on investment performance. That places the risk of having a poor pension squarely on the private individual, with no back-up from the company. Personal pensions carry the same risk.

It is true that the equity funds in trouble at Morgan and Fleming

were not designed to hold pension money, but were for other shorter term savings, including Peps. However, these are used by many people as an additional form of investment for retirement.

In any case, equity funds of one sort or another are where the vast bulk of defined contribution and personal pension money goes. The purpose may be different but the investment vehicles are indistinguishable. The distinction will become even more blurred as individuals are given increasing freedom to take their own pension investment decisions.

The two scandals should therefore serve as a sharp reminder that we are moving into a different world, where a majority of people will soon be shouldering responsibility for their own long-term financial futures. Virtually no new final salary schemes are being established, and money purchase schemes are growing rapidly.

Here are some estimates of the growth of money purchase pension schemes from Mercury Asset Management, which last year was ranked as the biggest manager of UK pension funds, with £48.7bn, more than twice as much UK pension business as Morgan and Fleming combined.

MAM has no axe to grind, since although it has attracted £1bn of money purchase pension investments in a drive for new business, this is dwarfed by the conventional

final salary schemes that still make up the rest of its UK pension portfolio.

MAM estimates that in the UK as a whole about 10 per cent of the £500bn pot of pension fund money is now in money purchase schemes, much of it with insurance companies rather than City fund managers.

Since many of these money purchase schemes are new and growing more rapidly than older final salary ones, simple arithmetic takes the proportion to 15 per cent in 2000 and 20 per cent in 2005, even if not a single new money purchase scheme starts.

If new schemes continue to be introduced at current rates, this increases to 20 per cent in 2000 and 30 per cent in 2005. But MAM also makes the more aggressive as-

nies of offloading the long-term risk of having to top up a deficient final salary scheme.

There have also been claims that companies are benefiting by reducing their contributions while they switch to money purchase schemes, though the most frequently quoted source of this allegation, the actuarial firm Bacon & Woodrow, denies it ever said anything of the sort.

Barclays, Legal & General and Texas Instruments are examples of large companies closing their final salary schemes to new entrants, who are being offered money purchase schemes or group personal pensions. (Morgan Grenfell happens to manage Texas employees' unit-linked investments.)

In another variant, Glaxo Wellcome restricts new entrants to a money purchase scheme but allows them the option to switch to final salary scheme at the age of 40.

There are also advantages for employees, though they are not quite so overwhelming. Younger members of traditional final salary schemes subsidise older colleagues and pensioners but are rarely likely to stay long enough to benefit themselves.

Middle-aged staff of a company that switches from final salary to money purchase pensions may lose out badly, so the young might as well avoid final salary schemes in case that happens to them in years to come.

And in spite of legislation to set minimum transfer standards, those who leave pension schemes before retirement will be heavily penalised if inflation takes off again at any time during their careers.

Money purchase schemes there-

fore particularly suit the young, regular job-changers, those on short-term contracts, and those working for weak or small companies where the pension "guarantee" cannot be relied on.

There is certainly a lot to be said for controlling your own pot of money and taking it with you from job to job – but that takes us back to where we started. There is also an extra risk to shoulder.

The forces at work in the marketplace are far too powerful for the scandals to cause more than a blip in the long-term increase in sales of pensions and other investments. What the revelations

Top 10 managers of UK pension funds

	Funds under management (£bn)
Mercury	48.7
DFM	44.1
Schroder	37.0
EZW	21.6
Cartmore	17.8
Morgan Grenfell	12.3
NatWest	11.6
Hill Samuel	10.8
Fleming	9.2
Prudential	9.2

Source: FT

Fund shocks add to a seismic shift in financial risks

23

52

11

may actually achieve is an acceleration of the concentration of the industry into a few enormous fund management firms.

The usual reason cited for this consolidation is the way marketing and back office costs are soaring, bringing important economies of scale.

Bu in the speed with which Germany's best-known banking group moved to compensate clients of its UK subsidiary suggests that the real lesson for investors is that the safest place for your money is a firm with very big game behind it, that can afford to pay whatever it costs to protect its reputation.

Foreign Exchange Rates

Sterling		Dollar		D-Mark	
Country	Spot	1 month	3 months	Spot	1 month
US	1589	5.8	5.0	1.00	0.975
Canada	2147	11.3	10.7	1.35	1.32
Germany	2320	52.46	51.42	14349	2.1
France	7967	151.34	147.37	5019	2.6
Italy	2369	48.63	42.93	13108	4.51
Japan	17106	75.70	72.93	1031	4.44
ECU	1245	15.11	14.50	1270	7.4
Belgium	4745	11.8	11.26	30590	6.45
Denmark	9813	14.46	13.23	57284	8.65
Netherlands	20591	22.57	21.57	14747	10.55
Ireland	9846	7.3	7.0	12555	4.7
Norway	1042	120.90	110.00	64046	4.17
Spain	16573	71.65	69.85	12598	2.32
Sweden	1.8	1.65	1.58	6339	3.22
Switzerland	16200	54.46	50.52	12074	10.07
Australia*	17891	22.01	21.01	12002	9.51
Hong Kong	12051	101.41	99.70	224.70	2.15
Malaysia	3197	4.05	4.00	52045	2.45
New Zealand	22597	43.67	40.50	133.50	3.22
Saudi Arabia	58003	2.50	2.40	37506	2.7
Singapore	2208	0.40	0.40	14075	0.40

Interest Rates

Country	For	1 yr	5 yr	10 yr	yield %	Country	For	1 yr	5 yr	10 yr	yield %
UK	5.75%	5.5%	5.0%	4.5%	4.0%	Germany	2.50%	2.75%	3.00%	3.25%	3.50%
France	3.95%	3.5%	3.2%	3.0%	2.8%	US	5.00%	5.25%	5.50%	5.75%	6.00%
Italy	8.25%	8.0%	7.5%	7.0%	6.5%	Canada	5.25%	5.50%	5.75%	6.00%	6.25%
Netherlands	2.50%	2.5%	2.5%	2.5%	2.5%	Spain	2.00%	2.25%	2.50%	2.75%	3.00%
Advances	2.50%	2.5%	2.5%	2.5%	2.5%	Switzerland	1.00%	1.25%	1.50%	1.75%	2.00%

*Year calculated on local basis.
**Yield to maturity.

Money Market Rates

Contract	Open	7 day	1 Month	3 Months	6 Months	1 Year
Interbank	7.75	7.65	7.55	7.45	7.35	7.25
UK	7.75	7.65	7.55	7.45	7.35	7.25
US	8.00	7.90	7.80	7.70	7.60	7.50
Japan	5.25	5.15	5.05	4.95	4.85	4.75
Australia	7.75	7.65	7.55	7.45	7.35	7.25
Germany	7.75	7.65	7.55	7.45	7.35	7.25
France	7.75	7.65	7.55	7.45	7.35	7.25
Italy	7.75	7.65	7.55	7.45	7.35	7.25
Switzerland	7.75	7.65	7.55	7.45	7.35	7.25

Yield calculated on local basis.

Tourist Rates

£ Buys	£ Buys	£ Buys
--------	--------	--------

sport

League legend finally finds himself appreciated



Edwards: 37 finals for Wigan

One constant factor links Wigan in the Premiership final at Old Trafford on Sunday with the other 37 major finals they have contested since their reawakening in 1984. Shaun Edwards is that thread of continuity – but it is a thread that came close to being severed.

There have been threats, reprimands and rumours in the past, but this time it seemed just possible that Edwards might leave. In the end, it was an affection he has not always been able to count upon from Wigan's supporters that kept him on

board for this weekend's clash with St Helens and for another two seasons thereafter.

"There may have been certain people at the club who wouldn't have minded if I had left," he said. "It was the support from the Wigan people that brought me here. I'm not ashamed to say that I was touched by it. I won't be macho and try to deny that it was touching, because I haven't seen that happen to many players."

It has taken him 14 seasons of demonstrating his value to the club to receive as his due the sort of fierce devotion that

Shaun Edwards and Wigan are united against St Helens. Dave Hadfield reports

used to be accorded in Andy Gregory, his former half-back partner who wanted to prise him away to Salford.

If it wasn't Wigan supporters an unconscionably long time to fully appreciate Edwards' importance, his career is an endless series of variations on the same challenge – that of keeping Wigan ahead of the field.

And yet this Sunday is surely different. St Helens have won the Challenge Cup and the

inaugural Super League title this season. Wigan have won precisely nothing and, if that is still the case at 8.30 on Sunday evening, the season, says Edwards unequivocally, will go down as a disaster.

"We will have nothing and Saints will have the treble," he groans. "You couldn't have killed it better."

The rise of Saints relative to Wigan has not been a surprise to Edwards, who has, after all, been complaining his own club was losing too many star players for the last couple of years.

"They have been equally

talented for some time now," he says of Sunday's opponents. "But you could say they maybe didn't have the mettle. You can't say that about them now, after the number of times they have come back in matches. I also think they are very well coached."

It is in coaching, in the long-term, that Edwards' ambitions now lie. He admits to a banker-looking to coach Wigan, "but I would like to be the Great Britain coach. That is my real ambition."

It is one that may hang in abeyance for some years while Edwards, 30 next month, adds

the final chapters to his playing career.

Apart from a niggling knee that will go under the knife in two weeks' time, he feels as fit and eager on the eve of his 38th final as he did before his first at full-back against Widnes at Wembley in 1984.

He will also know when it is time to bring one of the greatest rugby league playing careers to a halt, without anyone needing to drop a hint.

"It will be when I look around the league and see three or four players who are better than me in my position."

Derbyshire charge held up by Lee

Cricket

DEREK HODGSON
reports from Taunton
Derbyshire 524 & 221-2
Somerset 464

Shane Lee's sparkling 110 broke Derbyshire's grip and left the contenders thinking today more of three points for a draw than the 16 wanted from a victory. Dean Jones' declaration will need to be shrewdly timed.

Lee is not new to stuffing Pommie ambitions. In July, at Scarborough, his 134 against then leaders Yorkshire, so rattled the Tykes that they plunged to three successive defeats. Yesterday's innings was not quite in that class but it might have removed Derbyshire from their place as favourites.

It was a day of surprises starting with the pitch which, defying all predictions of increasing lift and turn, rolled out flatter than on the two previous days. Hardly a ball did more than the expected all day.

Somerset still needed another 136, with four wickets gone, to avoid a follow-on but true to character treated the occasion not so much as a crisis but a rollicking adventure. Richard Harden and Jeremy Batty added 37 in 17 overs, the nightwatchman contributing 25 while Devon Malcolm was concluding 34 in six overs.

Andrew Harris was again Derbyshire's best; he eventually

bad Batty caught at third man and should have had Harden, when 26, also caught there – a departure that brought in Lee who immediately lifted the contest to a higher level. He has a hawk's eye for the slightest error in length and line and among his initial scoring strokes was a disdainful flick off his eyebrows that sent Malcolm over the on-side boundary.

By his 50, off 76 balls, he had already driven or cut six boundaries and it was clear that Derbyshire were a bowler short. Dinnin Cork limping with a hamstring that was "not serious" according to the dressing room. He still managed an adroit piece of fielding to run out Harden.

Dean Jones turned to spin at both ends – when did this last happen with Derbyshire? 7 – with Kim Barnett adding leg-breaks to Glen Roberts' left-arm slow but by then Lee was in full flight.

He was ninth out, caught on the third man boundary, his 110 coming off 138 balls, his fourth century of the summer, his aggregate topping 1,700. He gave one chance, off Malcolm, when 77.

Wheo Derbyshire batted again their huge lead had been whittled down to 60. Barnett, now revelling without responsibility, stormed away again and although he lost partners at 17 and 79 he had his captain's support in reaching a 49th century. In contrast with Lee's win, it was measured and predictable, consecutive work from the old pro.

It was impossible to keep a good man down or, in the case of Surrey yesterday, good men down. Adam Hollioake, standing in as captain because Alec Stewart was in hospital to be with his wife, Lynn, who was expecting their second child, missed making a hit of history by two runs. Then Chris Lewis conceded



Two-stepped: Surrey's Adam Hollioake is caught two runs short of his century at The Oval yesterday, trapped lbw by Jeremy Snape. Photograph: Peter Jay

Holloake's paddle ends steaming run

DAVID LLEWELLYN

reports from The Oval
Surrey 395 & 298-9;
Northants 235 & 173-6

It is impossible to keep a good man down or, in the case of Surrey yesterday, good men down. Adam Hollioake, standing in as captain because Alec Stewart was in hospital to be with his wife, Lynn, who was expecting their second child, missed making a hit of history by two runs. Then Chris Lewis conceded

just two runs in a devastating spell of fast bowling as he whipped out three Northamptonshire batsmen to leave Surrey on top and challenging for the title.

Holloake had been Northamptonshire's chief tormentor first time around with a hundred. That he went so close to becoming only the third Surrey player to achieve the feat twice in a season (the first time was against Somerset in the opening match of the championship) is because he put the game before himself. His attempted

paddle to get to the declaration was a calculated gamble. It did not pay off.

He missed the ball, it did not miss the pads, off spinner Jeremy Snape shrieked for the leg-before decision and the umpire Jack Bond awarded the bowler the verdict. It is only a matter of time before Hollioake enters the Surrey pantheon alongside Tom Hayward (1906) and Jack Hobbs (1925) for the achievement of a hundred in each innings of a match twice in a summer. After all, he was only 25 yesterday.

It was as the early evening shadows lengthened so did the faces of the Northamptonshire batsmen as Lewis revved up and began to motor. In the space of

10 balls he had shattered any illusions. Northamptonshire might have harboured of reaching the victory target of 459.

David Sale fell lbw looking to work a ball to leg; Kevin Curran just could not get his bat out of the way of a shorter one that reared up and he touched behind to Graham Kersey, and Mal Loye was yorked, Tony Penfold's edge to Mark Butcher off Martin Hicklin half a dozen overs before the close left Surrey poised to pick up maximum points and maintain the pressure on their rivals.

But as the early evening shadows lengthened so did the faces of the Northamptonshire batsmen as Lewis revved up and began to motor. In the space of

10 balls he had shattered any illusions. Northamptonshire might have harboured of reaching the victory target of 459.

David Sale fell lbw looking to work a ball to leg; Kevin Curran just could not get his bat out of the way of a shorter one that reared up and he touched behind to Graham Kersey, and Mal Loye was yorked, Tony Penfold's edge to Mark Butcher off Martin Hicklin half a dozen overs before the close left Surrey poised to pick up maximum points and maintain the pressure on their rivals.

It was as the early evening shadows lengthened so did the faces of the Northamptonshire batsmen as Lewis revved up and began to motor. In the space of

Milns encounters scant resistance

HENRY BLOFELD

reports from Trent Bridge
Nottinghamshire 324 and 189-8
Leicestershire 439

Nottinghamshire will have been pleased to have restricted Leicestershire's first-innings lead to 115, but then they let themselves down badly with some inept batting.

Only Tim Robinson, whose 50 occupied 42 overs, Graeme Archer and Chris Tolley had a mind to make a fight of it on a pitch with a lowish bounce but nothing worse.

Leicestershire carried on until shortly after lunch and their bowlers knew they had plenty to do with less than five sessions left if Leicestershire were going to win the match. The situation seemed to light a fuse in David Milns.

He began Nottinghamshire's downfall when, in his second over, Paul Pollard drove at a wide half-volley and dragged the ball on to his stumps. Robinson and Archer took root and while they were together there was nothing to suggest the game was destined for anything other than a draw.

Kevin Evans was the sixth out when he hooked at Milns and Darren Maddy held a good catch running away from the wicket at square leg. Wayne Moon soon became another bat-pad casualty and Richard Bates was lbw on the back foot to Simmons before Tolley and Mark Bowen made sure that there would be a fourth wicket.

Mathew Maynard's 69 off 44 balls with five sixes put Glamorgan in a position to declare today. On 281 for 6, they are 330 ahead of Hampshire.

Matthew Maynard's 69 off 44 balls with five sixes put Glamorgan in a position to declare today. On 281 for 6, they are 330 ahead of Hampshire.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Gloucestershire have suffered their 33-year-old captain, Courtney Walsh, a new two-year contract.

In 1994 Lancashire were

MICHAEL AUSTIN

reports from Edgbaston
Essex 238 and 450-6;
Warwickshire 253 and 65-3

They both played some good strokes, particularly against Gordon Parsons, who earlier had been largely responsible for Leicestershire's lead with an admirable innings of 53. Nottinghamshire reached 65 when Archer played back and all round a ball from Phil Simmons which kept low and bowled him.

Tea came and went without further alarms. Then, at 98, Paul Johnson played forward to Adrian Pierson and was caught off bat and pad. Bowling from the pavilion end, Pierson fished the ball and found some turns.

He struck again 10 runs later when the left-handed Mathew Dowman stretched forward and gave an easy catch to slip.

Two runs later, Robinson's determined knock ended when he did not pick up a full toss from Milns and ducked only to bottom before wicket.

Kevin Evans was the sixth out when he hooked at Milns and Darren Maddy held a good catch running away from the wicket at square leg. Wayne Moon soon became another bat-pad casualty and Richard Bates was lbw on the back foot to Simmons before Tolley and Mark Bowen made sure that there would be a fourth wicket.

Mathew Maynard's 69 off 44 balls with five sixes put Glamorgan in a position to declare today. On 281 for 6, they are 330 ahead of Hampshire.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Glamorgan's 200, 221-2, from 232 runs against Middlesex was the best of the day.

Worcestershire v Essex
(Overnight 2-31)

WORCESTERSHIRE: Worcester 240 (260) beat
Surrey 10-8 by an innings and 24 runs.

Surrey won toss

SURREY: Surrey 229 (210) beat
Worcestershire 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

SURREY: First Innings 229 (210) beat
Worcestershire 122, 5-2 (200).

Second Innings 229 (210) beat
Worcestershire 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surrey 122, 5-2 (200).

WORCESTERSHIRE: First Innings 229 (210) beat
Surrey 122, 5-2 (200).

Second Innings 229 (210) beat
Surre

REGISTER TODAY - ONLY 6 DAYS LEFT TO GO

Win TICKETS TO THE 1998 WORLD CUP

WITH INDEPENDENT FANTASY FOOTBALL

As England kick off their battle to secure a place at the 1998 World Cup in France, The Independent and the Independent on Sunday bring you the chance to follow them all the way.

Register now to play our great Independent Fantasy Football game, supported by Philips Energy Saver Lightbulbs, and find out if your tactical management skills can earn you a place alongside the best at the world's greatest soccer tournament.

You can opt for a defensive strategy with five defenders, three midfielders and two strikers in a 5-3-2 formation, or go on the attack with three strikers in a 4-3-3 line-up. Complete your team with a goalkeeper and a Premiership manager and you'll be ready for kick-off. To put your title-winning team together you have a budget of £40 million to spend. It is up to you how you spend the money, with no restrictions on the number of players you can choose from any one Premiership team. Look carefully and you will find some real bargains, with Alan Shearer on sale for the fantasy price of £11.1 million!

So take up the challenge and prove your skill as a manager to win a football fan's dream prize and the opportunity to gloat over friends and colleagues well into the 1997-98 season.

PRIZES

The overall winner at the end of the season will be the entrant who has accrued more points than any other Independent Fantasy Football team in that time. Win the ultimate prize - a trip to the 1998 World Cup in France. The winner, plus companion, will see all the action of a quarter-final and a semi-final of their choice, plus the final. In addition, the highest scoring team each month will win a pair of tickets to one of England's World Cup qualifying games at Wembley.

HOW TO ENTER

Using your football knowledge decide your team formation from the following four options:

FORMATION A: 4-4-2

4 Defenders, 4 Midfielders, 2 Strikers

FORMATION B: 4-3-3

4 Defenders, 3 Midfielders, 3 Strikers

FORMATION C: 5-3-2

5 Defenders, 3 Midfielders, 2 Strikers

FORMATION D: 3-5-2

3 Defenders, 5 Midfielders, 2 Strikers



You are free to enter as many teams as you wish, allowing you to try out more than one tactical formation, but each team must be made as a separate entry via a separate telephone call.

Once you have chosen your formation, select your team of 10 players to fit your chosen option, plus one goalkeeper and one manager from the list below. Players can only play in the positions that they are listed under and the team's total value must not exceed £40 million. Remember to give your team a name.

Use our Team Selection form above right, to make a note of your team's details, then dial our registration hotline to register. Where possible, please try to use a tone telephone, although a traditional pulse telephone can be used if necessary.

Make sure you follow the instructions on the phoneline carefully. At the end of your call you will be given your own special PIN number, which you must keep safe. It can be added to your Team Selection form.

HOW TO SCORE

Every time one of your players scores a goal you will be awarded four points. Four points will also be awarded for goalkeepers and defenders whose team have kept a clean sheet during a match.

If a player scores the winning goal, i.e. if there is a one-goal difference in the scoreline, the player scoring the final goal for the winning team is awarded one bonus point in addition to the standard four points awarded for that goal. Each successful assist (a pass that, in the opinion of our team of experts, leads directly to a goal) will give a player three points. The opinion of our experts on this matter is final. Each player selected and starting a game will be awarded one point.

Players lose one point for a yellow card and three for a red card. Own goals, either scored or conceded, do not count for scoring purposes. The Premiership manager that you choose will be awarded three points if their real-life team win, one point if they draw and no points if they lose.

Results will be published in The Independent every Wednesday for all games played from the previous Monday to Sunday inclusive. They will also appear the following Sunday, in the Independent on Sunday.

If your player or manager has been injured or transferred out of the Premiership, there will be the chance to update your team in our transfer period, which will be announced soon. Please read the Rules and Conditions carefully before making your call.

INDEPENDENT FANTASY FOOTBALL

Team Selection Form

Name	Code	Value
Goalkeeper		
Defender 1		
Defender 2		
Defender 3		
Defender 4		
Defender 5		
Midfielder 1		
Midfielder 2		
Midfielder 3		
Midfielder 4		
Midfielder 5		
Striker 1		
Striker 2		
Striker 3		
Manager		
PIN No. <input type="text"/>	Total £ <input type="text"/>	

Team Name:

POINT SCORES:

4 points for a goal ■ 4 points for a goalkeeper/defender clean sheet ■ 3 points for a successful assist ■ 1 point when a player is selected and plays ■ 1 point for a winning goal ■ 3 points for a manager win, 1 point for a draw ■ Lose 1 point for a yellow card ■ Lose 3 points for a red card

Register today, call:

UK 0891 252 244 (tone)

UK 0891 252 234 (pulse)

Republic of Ireland: 1550 131 553

UK calls cost 39p per minute cheap rate and 49p at all other times. Republic of Ireland calls cost 59p per minute including VAT at all times. Maximum call length 6.5 minutes.

INDEPENDENT TEAM MARKET

CODE	PLAYER	TEAM	VALUE (£m)	CODE	PLAYER	TEAM	VALUE (£m)	CODE	PLAYER	TEAM	VALUE (£m)	CODE	PLAYER	TEAM	VALUE (£m)
GOALKEEPERS															
458	Unsworth	EVE	3.0	554	Thorn	WIM	1.8	688	Bart-Williams	NOT	3.6	857	Heskey	LEI	2.8
459	Hottiger	EVE	2.2	555	Thatcher	WIM	2.7	689	Stone	NOT	5.0	858	Robins	LEI	2.0
460	Hinchcliffe	EVE	1.9	600	Merson	ARS	4.4	690	Gemmell	NOT	3.0	859	Cantona	MU	8.1
463	Jobson	LEE	2.7	603	Platt	ARS	4.8	693	Parker	LEI	2.5	860	Scholes	MU	5.0
464	Kelly	LEE	3.6	604	Parbour	ARS	2.4	694	Taylor	LEI	1.6	863	Cole	MU	6.2
465	Wetherall	LEE	3.5	605	Helder	ARS	3.7	695	Izzett	LEI	2.1	864	Fjortoft	MID	3.1
466	Dorigo	LEE	3.2	606	Hillier	ARS	1.5	696	Waddle	SW	2.7	865	Ravanelli	MID	8.0
467	Pemberton	LEE	1.2	608	Townsend	AV	3.1	697	Blinker	SW	2.2	866	Bärnby	MID	6.7
468	Walsh	LEE	2.2	609	Draper	AV	4.1	698	Jones	SW	2.0	867	Beardsley	NEW	4.4
469	Grayson	LEE	2.2	610	Domin	BLA	3.0	699	Rae	SW	1.8	868	Asprilla	NEW	7.4
470	Whidow	LEE	1.2	611	Wilcox	BLA	3.7	700	Magilton	SOT	2.4	869	Perdinand	NEW	8.6
473	Watts	LEE	1.6	612	Taylor	AV	1.9	701	Venison	SOT	2.7	870	Saunders	NOT	5.2
474	Babb	LIV	3.7	613	Draper	AV	4.1	702	Heaney	SOT	2.2	871	Roy	NOT	4.8
475	Jones (R)	LIV	2.7	614	Ruddock	LIV	3.0	703	Gray	SUN	3.0	872	Campbell	NOT	3.1
476	Wright	LIV	2.8	615	Scates	LIV	4.4	704	Race	SUN	1.0	873	Booth	SW	4.4
477	Roddick	LIV	3.0	616	Ripley	BLA	3.0	705	Agnew	SUN	1.0	874	Hirst	SW	5.5
478	Wright	LIV	4.4	617	Sherwood	BLA	3.4	706	Anderloo	TOT	6.3	875	Bright	SW	2.5
479	Harkness	LIV	2.2	618	Filtcroft	BLA	3.0	707	Fox	TOT	5.4	876	Le Tissier	SOT	7.0
480	Neville (G)	MU	3.7	619	Gullit	CHE	4.4	708	Hawells	TOT	3.2	877	Shipperley	SOT	3.7
481	Neville (P)	MU	3.7	620	Di Matteo	CHE	4.4	709	Sinatra	TOT	3.0	878	Watson	SOT	2.2
482	Irwin	MU	4.1	621	Wise	CHE	3.7	710	Williamson	WH	3.6	879	Kelly	SUN	2.1
483	Pallister	MU	4.9	622	Newton	CHE	2.4	711	Dundriscu	WH	3.7	880	Stewart	SUN	2.3
484	May	MU	3.0	623	Peacock	CHE	2.1	712	Hughes	WH	2.7	881	Sheringham	TOT	7.4
485	Vickers	MID	2.2	624	Reefer	CHE	2.4	713	Bishop	WH	2.7	882	Armstrong	TOT	5.9
486	Dodd	SOT	2.2	625	Richardson	CHE	2.4	714	Jones	WH	2.3	883	Rosenthal	TOT	2.1
487	Brown	SOT	2.2	626	McAllister	CHE	3.0	715	Ende	WH	3.1	884	Futre	WH	4.0
488	Peacock	SOT	3.0	627	Hughes	DER	1.2	716	Attley	WH	2.0	885	Raducioiu	WH	5.1
489	Barlow	SOT	3.3	628	Simpson	DER	1.2	717	Pearce	WH	2.0	886	Dowie	WH	3.3
490	Asanovic	DER	2.2	629	Asanovic	DER	2.2	718	Holdsworth	WH	4.5	887	Goodman	WH	3.2
491	Barton	DER	2.2	630	Van Der Laan	DER	1.6	719	Ekoku	WH	2.7	888	Royle	EV	5.5
492	Berresford	NEW	2.2	631	Ebdell	EVE	1.9	720	Bergkamp	ARS	7.0	889	Harford	BLA	5.5
493	Winterburn	ARS	3.1	632	Kanchelskis	EVE	6.7	721	Wright	ARS	7.2	890	Francis	TOT	5.0
494	Bould	ARS	3.0	633	McNamee	EVE	1.8	722	Hartson	ARS	3.7	891	Wilkinson	LEE	3.5
49															

SPORT

Agreement reunites the Five Nations

Rugby Union

DAVID LLEWELLYN

England are back in the Five Nations' Championship. Two months after they were banished into the international wilderness, senior officials from all the home Unions have thrashed out an agreement which goes well beyond the five-year deal that Twickenham struck with BSkyB.

Details of the agreement will be announced on Monday, but the indications are that the unions of Wales, Scotland, Ireland, France and England have

agreed to keep the Championship intact for the next 10 years. All it needs now is the approval today of the unions' respective committees, which should be a formality.

After 10 weeks of uncertainty, recriminations, brinkmanship and anxiety, not to mention behind-the-scenes machinations, manoeuvres and meetings among the respective unions, the historic tournament that dates from 1909 is back on everyone's fixture list and social and sporting calendar – and for up to 10 years.

While much credit must go to

the presidents and their teams, it emerged last night that BSkyB, whose £37.5m five-year deal with Twickenham triggered the crisis, may also have offered to make some concessions to their proposed deals with the other home unions which might permit selected matches to be broadcast live on terrestrial television within Wales, Scotland and Ireland simultaneously with the satellite company's coverage.

However, it was not clear last night whether the other home unions would take up the original offers to them from Sky,

worth £40.5m to Wales and £28m each to Scotland and Ireland.

The feeling throughout the game last night was one of relief that a troubled summer was going to give way to a winter of content throughout the British Isles and France. The agreement could also go a long way towards helping sort out the problems between the English Professional Rugby Union Clubs and the Rugby Football Union.

Toby Hallett, the RFU secretary, said last night: "Resolving the Five Nations issue must help in the jigsaw of problems we face. The problem with

Epru, which we take very seriously, still has to be resolved. We still have a lot of work to do there and we will be pursuing that. Hopefully the settlement of the Five Nations will contribute to the ultimate resolution and help that come to pass."

Cliff Brittle, chairman of the executive committee and a member of the RFU president John Richardson's three-man team, which also included the treasurer Colin Herridge, said: "I think we are all relieved. This has not just been done for the unions, it's been done for everyone who is interested in rugby

football throughout the Five Nations."

It has emerged that in addition to Wednesday night's eight-hour meeting in Bristol between the four home unions – held with the knowledge and concurrence of the FFR (French Federation) – there had also been intense activity off stage over the last three weeks which involved Brittle in particular in a great deal of travelling from his holiday home in the south of France as the deal was brokered among the Big Five. Brittle added: "After a lot of hard work throughout the summer we have come to a sensible agreement which satisfies all parties. It is a very good thing and has set the foundations for the future."

Hallett added: "This is the result of team work on all sides. It is a major achievement by the negotiators. The competition is special and attractive. It is a weight off our shoulders and a help that we are not fighting battles on so many fronts."

Following the meeting in Bristol, a joint statement was issued by the four Home Unions which read: "Last evening senior officers of England, Wales, Ireland and Scotland met at the

Hill relives his 'shock' sacking

Motor racing

DERICK ALLSOP

reports from Monza

It was not merely Michael Schumacher's helicopter that hovered over Formula One's controversy here yesterday. The spectre of the double world champion had much to do with the sacking of Damon Hill, claimed Heinz-Harald Frentzen, the man about to replace him.

Hill and his successor in the Williams-Renault team went public after a week in which the Englishman's six-year association with the team was terminated and the German was confirmed as the next partner for Jacques Villeneuve.

Hill talked of his "shock" at Frank Williams' decision, especially after being commended by the team's boss and their technical director, Patrick Head, for his "astonishing" performances. Hill declined to reveal the reason Williams gave for the dismissal, but maintained it had nothing to do with money.

An hour earlier, Frentzen had revealed his understanding of the thinking behind his appointment by Formula One's top team. Spookily, Schumacher's helicopter was coming into land as his compatriot and former Mercedes team-mate said: "I think Frank Williams

signed me because he wants me to beat Michael next year. I think I can beat Michael, otherwise I would not be the right man for the job." The inference there is Williams believes Hill is not capable of beating Schumacher in what is expected to be a significantly improved Ferrari next season.

Hill later alluded to the influence of engine deals within the sport, and there is a theory is that Frentzen's arrival at Williams on a two-year contract points to BMW partnering Williams when Renault quit Formula One at the end of next season. But that has been discounted by a source within the sport.

Hill, who heads the championship by 13 points with three races remaining, starting with Sunday's Italian Grand Prix here, patently feels the decision is no reflection on his ability. "I feel I've been to Mars and back for the last 10 days. It was a shock but I've had worse shocks in life and Formula One. I'll get over it and continue to press on and get results," Hill said.

"I turned myself around in the winter and made myself a leading driver, if I wasn't before, and in my view the reward should be to continue to drive the best equipment. I thought the ace up my sleeve was leading the championship. You could say that's naive, but I've used that method to get into Formula One and through this year."

Frentzen confirmed he had maintained contact with Williams since he turned down the opportunity to join Hill after the death of Ayrton Senna two years ago. He said developments had been swift since the Belgian Grand Prix a fortnight ago. The 29-year-old, presently with Sauber Ford, said: "I was not sure I would get the opportunity but now I am happy I waited."

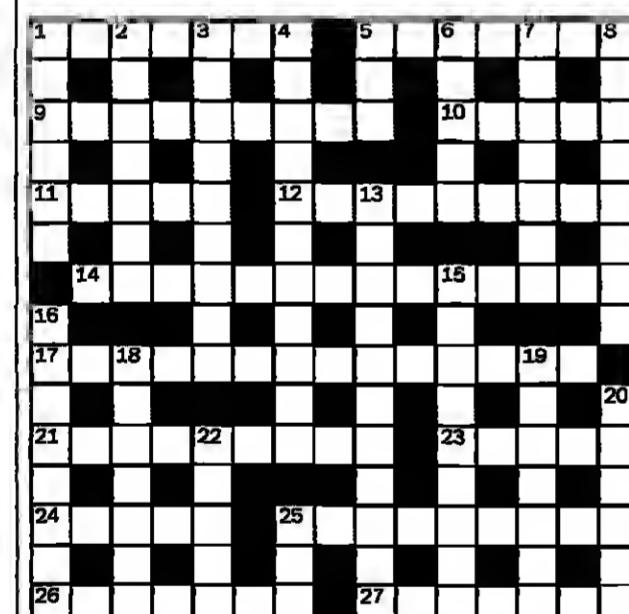
Schumacher said: "I'm very happy for Heinz-Harald. Now he has the chance to show what he can do. We've had good close racing together before and hope we can do so again."

THE INDEPENDENT CROSSWORD

No. 3085, Friday 6 September

By Sparus

Thursday's Solution



- ACROSS**
- Shiny wrapper can be frustrating (7)
 - Spain powerless to act before monarch shows sign of acceptability to Brussels (1-6)
 - Withdraw support given to racecourse (9)
 - Ornamental loop features in photograph shown by books (5)
 - Musical work's scope rather restricted? (5)
 - Card showing mechanical device? (9)
 - It'll be Jack as usual (8, 6)
 - High Street's evident financial stake? (6, 8)
 - Curved structure, one supporting theatre in Russian city (9)
 - It'll get to the bottom of the issue (5)
 - Multinational no good? It's topping (5)
 - A jailor losing head is crazy about American lover (9)
 - Light fantastic? in US city every evening? (7)
 - Tree outside Sunday School, old but pliant (7)
 - Turn up smut about leading socioeconomic groups? Such things aren't done (6)
 - Sort of energy evident in vibrant ANC rule (7)
 - Boycott is confined to a sector, albeit somewhat vague (9)
 - Allowing information to percolate about a surgeon's departure (5-6)
 - English king's left to hold large ruminant (3)
- DOWN**
- Free drink Greek character's upset (5)
 - Coarse material you get from beastly males? (7)
 - Italian overthrown in recent split is not saying much (8)
 - Occasion for wearing glass slippers? (7, 4)
 - English regiment to copy American? That's wrong (9)
 - Tornado activity, for instance? (8)
 - Hessian involved in pilage? (7)
 - Given bribe, managed to ring top singer (7)
 - Spin jar around yard (6)
 - Psychological unease felt by six-footer outside Grammar School (5)
 - Woman's left abandoned by Roman historian (3)

Thursday's Solution

Golf

ANDY FARRELL

reports from Hanbury Manor

It is not unusual for Laura Davies to skip a practice round before teeing up in the first round of a tournament. The first time she saw the Hanbury Manor course was when she pulled back the curtains of her hotel room yesterday morning.

The policy has not stopped her winning tournaments, even major championships in America. What she is not immune from, although she gives the best impression of being so of

anyone in professional golf, is jet lag.

Davies flew back from Chicago on Monday night, after a last sortie on the LPGA Tour which resulted in a win and a lost play-off.

"It was a bad flight," Davies said. "I didn't get a wink of sleep. The plane was packed."

On Wednesday night, she could only get two and a half hours sleep and finally drifted off with Andre Agassi two sets up in the US Open tennis.

Despite giving the rest of the field in the European Open such an advantage in the shute-eye department, only five play-

ers beat her two-under 70. The Australian Corinne Dibnah led with a 66, six under, by one from France's Stephanie Dallongeville. Dibnah did not drop a shot, while Dallongeville captured five birdies in a row from the second, and missed from three feet for a sixth.

Davies' only mistakes were a couple of three PUTTS but, in spite of her fatigue, the world No 1 enjoyed letting her driver free-wheel on the Jack Nicklaus designed layout, in sharp contrast to her last appearance in this country at the British Open at Woburn. Davies is on a run of 14 consecutive tour-

nments, including three spells in the States and trips to Japan and Korea.

What is driving her on is a desire to finish top of the money lists on both sides of the Atlantic, as Annika Sorenstam did last year.

In America, she leads the Australian, Karrie Webb, by \$110,000 (£730,000), but in Europe she trails the Swede Helen Alfredsson by just under £10,000.

"I have to say I'm really tired now, but what option is there?" Davies, who has won over £800,000 worldwide this year, said.

Scores, Digest, Page 27;
Broadhurst on a high in the Alps, Page 24

Atherton retained as captain for winter tours

Cricket

DEREK PRINGLE

Michael Atherton was yesterday re-appointed as captain for England's winter tours to Zimbabwe and New Zealand. With alternative candidates presently thinner on the ground than good conkers, he was unanimously voted in by the selectors despite the England team's patchy form this summer, where the promise of an early series victory against India was overshadowed by the recent loss against Pakistan.

Now 28, Atherton has captained his country 35 times in

tests, winning eight, losing 13, and drawing the remainder. A record that, while uninspiring, does lead some credibility to the claim that, under him, England have become a more difficult side to beat.

What is more, should he remain fit to captain all five of this winter's test matches – two in Zimbabwe, three in New Zealand – he will move to within one Test of Peter May's tally of captaining his country 41

times. A record that, barring calamity, Atherton ought to equal and then beat during the Ashes series next year.

It is an unusual longevity, considering the ephemeral nature of most sport and one that might not have happened had he resigned six months ago, after the low ebb of another sapping and humiliating winter.

However, a rest and a chat with David Lloyd, England's newly appointed coach, per-

suaded Atherton otherwise and he was again picked to captain England, a post he has now occupied uninterrupted since 1993, when he first grasped the nettle from Graham Gooch.

But although the experience has hardened him, three years is a long time to beat the burdens of a moderately successful side, and it was suggested at the start of the season, that Atherton, along with one or other players, might have taken one or other part of the coming winter off.

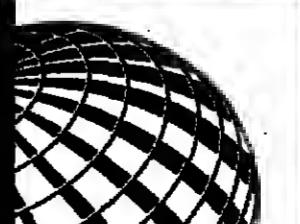
Apart from the possibility of the overworked Dominic Cork missing a portion of the Zimbabwe leg, that is no longer the case and in a recent interview Atherton was quoted as saying: "With only a limited amount of time at the top, I'd prefer to spend it playing Test matches than resting."

He will be the last captain appointed under the present chairman, Raymond Illingworth, who retires soon after the touring parties have been chosen. As outgoing chairman Illingworth said: "The selectors and myself are delighted that Mike has accepted the offer to captain England. We wish him and the rest of the team the best of luck."

County reports, Scoreboard, Page 24

Continental Airlines

See your travel agent or call Continental on 0800 776464.



لأجلنا من الأصل